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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Forty-second Meeting  
Montreal, 29 March - 2 April 2004

**OVERVIEW OF ISSUES IDENTIFIED DURING PROJECT REVIEW**

For reasons of economy, this document is printed in a limited number. Delegates are kindly requested to bring their copies to the meeting and not to request additional copies.

## **Projects and activities presented to the 42<sup>nd</sup> Meeting**

### Submissions by Implementing and Bilateral Agencies

1. The total value of multi-year agreements (all tranches), projects and activities received by the Fund Secretariat from implementing and bilateral agencies is US \$124,207,405 (including agency support costs where applicable). The requested level of funding to be considered for approval at the 42<sup>nd</sup> Meeting amounts to US \$85,207,744 for annual tranches of multi-year agreements, projects, and activities.

### Secretariat's review of proposed projects and activities

2. The review by the Fund Secretariat of proposals for the funding of projects and activities has resulted in a recommendation for blanket approval of a total of 47 annual tranches, projects and activities amounting to US 27,598,859. Eighteen investment projects and other activities with a total value of US \$3,011,055 have been withdrawn or deferred, including projects which did not provide adequate information or the eligibility of which was in doubt.

3. The incremental costs of investment projects and annual tranches of sector plans and national phase-out plans, with a total value of requested funds amounting to US \$50,158,309 have been agreed with the relevant implementing agencies, and are submitted for individual consideration in keeping with past practice or because other non cost-related issues are pending. For four projects incremental costs remain under discussion.

### Status of the Fund

4. At the time of preparation of this paper, Multilateral Fund resources available for commitment amount to some US \$82 million.

## **Issues arising from project review**

### Priority for funding a study on HCFC use in China

5. The Government of Germany has submitted a request for approval of US \$300,300 to develop a strategy for the long term management of HCFC-22 and other HCFCs in China. The proposal and the Secretariat's comments on it can be found in document UNEP/OzL.Pro/ExCom/42/17, Bilateral Cooperation. In addition to specific, project related matters, the submission raises the policy issue of the priority to be accorded at the present time to the funding of projects addressing HCFCs. No such project has so far been approved and Fund policy specifically excludes funding of any second-stage industrial conversions from HCFCs to non-ODS substances (Decision 19/2). This proposal is in a separate category, since it is a long term strategic study, the aim of which is to explore means by which the very rapid growth in consumption of HCFCs in a very large-consuming country might be addressed. HCFCs were not addressed in TEAP's study on the replenishment for the 2003-2005 triennium.

6. The Indicative List of incremental costs does not include policy or institutional support activities, although this project might be considered to fall within item (c)(iii), End Use: cost of providing technical assistance to reduce consumption and unintended emission of ozone depleting substances. Taking the foregoing into account, the Executive Committee might consider whether it wishes to give priority at the present time to a technical assistance project on a strategy for HCFC management.

#### Support for data reporting in Article-5 countries

7. A number of countries for whom institutional strengthening requests have been submitted to the 42<sup>nd</sup> Meeting have been found to be non-compliant or are at risk of becoming non-compliant because they have failed to report any data in one or more of the reporting categories or years (for example, Dominica, St. Kitts and Nevis and St. Vincent and the Grenadines). In some cases the countries may not have levels of consumption in excess of Montreal Protocol requirements, but are non-compliant simply because data has not been reported.

8. In view of the urgent requirement for countries to minimise or eliminate non-compliance, it remains of the highest priority to ensure that needless examples arising from a lack of completion of reporting obligations are prevented. The first point of contact for reporting activities is frequently the implementing agency responsible for the institutional strengthening project in the country concerned. Whenever the Secretariat is reviewing projects in which data reporting is an issue, the Secretariat advises the relevant implementing agency to assist the country to establish and report the relevant data. The Executive Committee might wish to consider urging implementing agencies to provide all assistance possible to countries for whom they are implementing the institutional strengthening project, to eliminate instances of non-reporting of data.

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## List of projects and activities recommended for blanket approval

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		CE (US\$/kg)
			Project	Support	
<b>ALGERIA</b>					
<b>REFRIGERATION</b>					
<b>Refrigerant management plan</b>					
Refrigerant management plan to phase out the use of ODS in refrigeration and air-conditioning sector: 2004 programme	UNIDO	200.0	\$524,647	\$39,349	\$563,996
	<b>Total for Algeria</b>	<b>200.0</b>	<b>\$524,647</b>	<b>\$39,349</b>	<b>\$563,996</b>
<b>ANGOLA</b>					
<b>SEVERAL</b>					
<b>Institutional strengthening</b>					
Institutional strengthening project (request for remaining balance)	Germany		\$141,618	\$18,411	\$160,029
	<b>Total for Angola</b>		<b>\$141,618</b>	<b>\$18,411</b>	<b>\$160,029</b>
<b>BANGLADESH</b>					
<b>PHASE-OUT PLAN</b>					
<b>ODS phase out plan</b>					
National ODS phase-out plan (first tranche): technical assistance for the phase-out of ODS solvents	UNDP		\$25,000	\$1,875	\$26,875
National ODS phase-out plan (first tranche): training and certification programme for refrigeration service technicians, including development of a code of good practices	UNEP		\$39,500	\$5,135	\$44,635
National ODS phase-out plan (first tranche): training programme for custom officers	UNEP		\$21,000	\$2,730	\$23,730
National ODS phase-out plan (first tranche): technical assistance programme for the refrigeration servicing sub-sectors	UNDP	36.0	\$96,000	\$7,200	\$103,200
National ODS phase-out plan (first tranche): monitoring and management unit	UNDP		\$34,000	\$2,550	\$36,550
National ODS phase-out plan (first tranche): Public awareness and information dissemination to main stakeholders	UNEP		\$30,000	\$3,900	\$33,900
	<b>Total for Bangladesh</b>	<b>36.0</b>	<b>\$245,500</b>	<b>\$23,390</b>	<b>\$268,890</b>
<b>BARBADOS</b>					
<b>REFRIGERATION</b>					
<b>Preparation of project proposal</b>					
Project preparation for the formulation of refrigerant management plan for refrigeration end-user	UNDP		\$8,000	\$600	\$8,600
	<b>Total for Barbados</b>		<b>\$8,000</b>	<b>\$600</b>	<b>\$8,600</b>
<b>BELIZE</b>					
<b>REFRIGERATION</b>					
<b>Preparation of project proposal</b>					
Project preparation for the formulation of refrigerant management plan update: investment components	UNDP		\$20,000	\$1,500	\$21,500
	<b>Total for Belize</b>		<b>\$20,000</b>	<b>\$1,500</b>	<b>\$21,500</b>

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			Project	Support	Total	
<b>BRAZIL</b>						
<b>SOLVENT</b>						
<b>Preparation of project proposal</b>						
Project preparation for the formulation of CTC as process agent	UNDP		\$32,000	\$2,400	\$34,400	
	<b>Total for Brazil</b>		<b>\$32,000</b>	<b>\$2,400</b>	<b>\$34,400</b>	
<b>CAPE VERDE</b>						
<b>REFRIGERATION</b>						
<b>Preparation of project proposal</b>						
Project preparation for the formulation of refrigerant management plan: investment components	UNDP		\$24,000	\$1,800	\$25,800	
	<b>Total for Cape Verde</b>		<b>\$24,000</b>	<b>\$1,800</b>	<b>\$25,800</b>	
<b>CHILE</b>						
<b>REFRIGERATION</b>						
<b>Preparation of project proposal</b>						
Project preparation for the formulation of refrigeration commercial project	UNDP		\$32,000	\$2,400	\$34,400	
	<b>Total for Chile</b>		<b>\$32,000</b>	<b>\$2,400</b>	<b>\$34,400</b>	
<b>CHINA</b>						
<b>OTHER</b>						
<b>Tobacco fluffing</b>						
Tobacco sector plan for CFC-11 phase-out: 2004 workplan	UNIDO	200.0	\$1,800,000	\$135,000	\$1,935,000	9.00
<b>PROCESS AGENT</b>						
<b>Preparation of project proposal</b>						
Project preparation for the second phase of process agents phase-out plan	IBRD		\$125,000	\$9,375	\$134,375	
<b>PRODUCTION</b>						
<b>CFC closure</b>						
Sector plan for CFC production phase-out: 2004 work programme	IBRD	4,700.0	\$13,000,000	\$975,000	\$13,975,000	
	<b>Total for China</b>	<b>4,900.0</b>	<b>\$14,925,000</b>	<b>\$1,119,375</b>	<b>\$16,044,375</b>	
<b>CROATIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>CFC phase out plan</b>						
Terminal phase-out management plan: 2004 annual implementation programme	UNIDO		\$48,300	\$3,623	\$51,923	
Terminal phase-out management plan: 2004 annual implementation programme	Sweden		\$24,700	\$1,853	\$26,553	
	<b>Total for Croatia</b>		<b>\$73,000</b>	<b>\$5,476</b>	<b>\$78,476</b>	

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			Project	Support	Total	
<b>DOMINICAN REPUBLIC</b>						
<b>SEVERAL</b>						
<b>Preparation of project proposal</b>						
Project preparation for augmentation to prepare terminal phase-out management plan	UNDP		\$7,500	\$563	\$8,063	
<b>Total for Dominican Republic</b>			<b>\$7,500</b>	<b>\$563</b>	<b>\$8,063</b>	
<b>ECUADOR</b>						
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Extension of institutional strengthening project (phase III)	IBRD		\$176,800	\$13,260	\$190,060	
<b>Total for Ecuador</b>			<b>\$176,800</b>	<b>\$13,260</b>	<b>\$190,060</b>	
<b>EL SALVADOR</b>						
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Refrigerant management plan update: Technical assistance for certification and licensing of refrigeration technicians	UNDP		\$77,300	\$6,957	\$84,257	
Refrigerant management plan update: Monitoring programme	UNDP		\$41,000	\$3,690	\$44,690	
Refrigerant management plan update: Technical assistance for the refrigeration sector	UNDP	56.5	\$231,700	\$20,853	\$252,553	4.10
<b>Total for El Salvador</b>		<b>56.5</b>	<b>\$350,000</b>	<b>\$31,500</b>	<b>\$381,500</b>	
<b>GUINEA</b>						
<b>REFRIGERATION</b>						
<b>Preparation of project proposal</b>						
Project preparation for the formulation of refrigerant management plan update: investment components	UNDP		\$20,000	\$1,500	\$21,500	
<b>Total for Guinea</b>			<b>\$20,000</b>	<b>\$1,500</b>	<b>\$21,500</b>	
<b>IRAN</b>						
<b>SOLVENT</b>						
<b>Preparation of project proposal</b>						
Preparation of investment projects in the solvent sector CTC/TCA	UNIDO		\$15,000	\$1,125	\$16,125	
<b>PHASE-OUT PLAN</b>						
<b>CFC phase out plan</b>						
National CFC phase out plan: First annual implementation plan for 2004 (second tranche)	UNDP		\$770,000	\$57,750	\$827,750	
National CFC phase out plan: First annual implementation plan for 2004 (second tranche)	Germany		\$946,405	\$104,105	\$1,050,509	
National CFC phase out plan: First annual implementation plan for 2004 (second tranche)	UNIDO		\$2,104,066	\$157,805	\$2,261,870	
<b>Total for Iran</b>			<b>\$3,835,470</b>	<b>\$320,784</b>	<b>\$4,156,255</b>	

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			Project	Support	
<b>JAMAICA</b>					
<b>SOLVENT</b>					
<b>Technical assistance/support</b>					
Technical assistance umbrella project to phase out ODS solvent use	UNDP		\$25,000	\$2,250	\$27,250
	<b>Total for Jamaica</b>		<b>\$25,000</b>	<b>\$2,250</b>	<b>\$27,250</b>
<b>KENYA</b>					
<b>FUMIGANT</b>					
<b>Methyl bromide</b>					
Technology transfer leading to methyl bromide phase-out in soil fumigation in all other horticulture (second tranche)	Germany	12.0	\$172,347	\$22,405	\$194,752
<b>SOLVENT</b>					
<b>Preparation of project proposal</b>					
Project preparation for the formulation of solvent sectoral phase-out plan	UNDP		\$20,000	\$1,500	\$21,500
	<b>Total for Kenya</b>	<b>12.0</b>	<b>\$192,347</b>	<b>\$23,905</b>	<b>\$216,252</b>
<b>KOREA, DPR</b>					
<b>PRODUCTION</b>					
<b>CFC closure</b>					
Closure of ODS production plant: verification of complete closure of all CFC-11 and CFC-12 production facilities (second tranche)	UNIDO		\$733,700	\$36,685	\$770,385
<b>REFRIGERATION</b>					
<b>Domestic/commercial</b>					
Sectoral phase-out in domestic refrigeration sector by conversion of refrigeration and compressor manufacture at 5th October Electronic and Automation Company (second tranche)	UNIDO	56.0	\$981,011	\$73,576	\$1,054,587
	<b>Total for Korea, DPR</b>	<b>56.0</b>	<b>\$1,714,711</b>	<b>\$110,261</b>	<b>\$1,824,972</b>
<b>LEBANON</b>					
<b>PHASE-OUT PLAN</b>					
<b>Preparation of project proposal</b>					
Project preparation for the formulation of a CFC phase-out plan (finalization)	UNDP		\$16,000	\$1,200	\$17,200
	<b>Total for Lebanon</b>		<b>\$16,000</b>	<b>\$1,200</b>	<b>\$17,200</b>
<b>LIBYA</b>					
<b>HALON</b>					
<b>General</b>					
Phase-out of halon consumption	UNIDO		\$64,600	\$5,814	\$70,414
	<b>Total for Libya</b>		<b>\$64,600</b>	<b>\$5,814</b>	<b>\$70,414</b>



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			Project	Support	Total	
<b>MACEDONIA</b>						
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Renewal of institutional strengthening project: phase IV	UNIDO		\$132,347	\$9,926	\$142,273	
	<b>Total for Macedonia</b>		<b>\$132,347</b>	<b>\$9,926</b>	<b>\$142,273</b>	
<b>MALAYSIA</b>						
<b>FUMIGANT</b>						
<b>Preparation of project proposal</b>						
Project preparation for the formulation of fumigant methyl bromide (finalization)	UNDP		\$10,000	\$750	\$10,750	
	<b>Total for Malaysia</b>		<b>\$10,000</b>	<b>\$750</b>	<b>\$10,750</b>	
<b>MEXICO</b>						
<b>FOAM</b>						
<b>Multiple-subsectors</b>						
CFC phase-out plan for the foam sector (second tranche)	UNDP	339.0	\$1,109,120	\$83,184	\$1,192,304	3.27
	<b>Total for Mexico</b>	<b>339.0</b>	<b>\$1,109,120</b>	<b>\$83,184</b>	<b>\$1,192,304</b>	
<b>NICARAGUA</b>						
<b>AEROSOL</b>						
<b>Preparation of project proposal</b>						
Project preparation for the formulation of transitional strategy for aerosol inhalant drug products	UNDP		\$30,000	\$2,250	\$32,250	
	<b>Total for Nicaragua</b>		<b>\$30,000</b>	<b>\$2,250</b>	<b>\$32,250</b>	
<b>NIGER</b>						
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Implementation of the RMP update: training for customs technicians	UNEP		\$25,000	\$3,250	\$28,250	
Implementation of the RMP update: train the trainer programme for refrigeration service technicians	UNEP		\$55,747	\$7,247	\$62,994	
Implementation of the RMP update: monitoring of the activities	UNEP		\$23,000	\$2,990	\$25,990	
	<b>Total for Niger</b>		<b>\$103,747</b>	<b>\$13,487</b>	<b>\$117,234</b>	
<b>ROMANIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>Preparation of project proposal</b>						
Project preparation: CFC phaseout plan (aerosol and refrigeration)	UNIDO		\$10,000	\$750	\$10,750	
	<b>Total for Romania</b>		<b>\$10,000</b>	<b>\$750</b>	<b>\$10,750</b>	

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			Project	Support	Total	
<b>SUDAN</b>						
<b>SEVERAL</b>						
<b>Institutional strengthening</b>						
Extension of institutional strengthening: phase IV	UNEP	12.1	\$145,860			
	<b>Total for Sudan</b>	<b>12.1</b>	<b>\$145,860</b>			
<b>SURINAME</b>						
<b>REFRIGERATION</b>						
<b>Preparation of project proposal</b>						
Project preparation for the formulation of refrigerant management plan: investment components	UNDP		\$12,000	\$900	\$12,900	
	<b>Total for Suriname</b>		<b>\$12,000</b>	<b>\$900</b>	<b>\$12,900</b>	
<b>THAILAND</b>						
<b>PHASE-OUT PLAN</b>						
<b>CFC phase out plan</b>						
National CFC phase-out plan: 2004 annual implementation plan	IBRD	486.0	\$1,315,400	\$118,386	\$1,433,786	
	<b>Total for Thailand</b>	<b>486.0</b>	<b>\$1,315,400</b>	<b>\$118,386</b>	<b>\$1,433,786</b>	
<b>TUNISIA</b>						
<b>SEVERAL</b>						
<b>Preparation of project proposal</b>						
Preparation of country programme update	IBRD		\$80,000	\$7,200	\$87,200	
	<b>Total for Tunisia</b>		<b>\$80,000</b>	<b>\$7,200</b>	<b>\$87,200</b>	
<b>ZAMBIA</b>						
<b>REFRIGERATION</b>						
<b>Refrigerant management plan</b>						
Refrigerant management plan update: refrigeration and air conditioning sector	Germany		\$136,000	\$17,680	\$153,680	
	<b>Total for Zambia</b>		<b>\$136,000</b>	<b>\$17,680</b>	<b>\$153,680</b>	
<b>ZIMBABWE</b>						
<b>SOLVENT</b>						
<b>Preparation of project proposal</b>						
Project preparation for the re-formulation of solvent technical assistance	UNDP		\$24,000	\$1,800	\$25,800	
	<b>Total for Zimbabwe</b>		<b>\$24,000</b>	<b>\$1,800</b>	<b>\$25,800</b>	
<b>GLOBAL</b>						
<b>SEVERAL</b>						
<b>Technical assistance/support</b>						
Assistance for regional awareness raising	UNEP		\$200,000	\$26,000	\$226,000	
	<b>Total for Global</b>		<b>\$200,000</b>	<b>\$26,000</b>	<b>\$226,000</b>	
	<b>GRAND TOTAL</b>	<b>6,097.6</b>	<b>\$25,736,667</b>	<b>\$2,008,052</b>	<b>\$27,598,859</b>	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	

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