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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

PROJECT PROPOSAL: BANGLADESH

This document consists of the comments and recommendation of the Fund Secretariat on the following project proposal:

Phase out

National ODS phase-out plan (first tranche):

- | | |
|---|------|
| • Training and certification programme for refrigeration service technicians, including development of a code of good practices | UNEP |
| • Training programme for custom officers | UNEP |
| • Public awareness and information dissemination to main stakeholders | UNEP |
| • Technical assistance programme for the refrigeration servicing subsectors | UNDP |
| • Technical assistance for the phase out of ODS solvents | UNDP |
| • Monitoring and management unit | UNDP |

**PROJECT EVALUATION SHEET
BANGLADESH**

SECTOR: Phase out ODS use in sector (2002): 328 ODP tonnes CFCs
13.8 ODP tonnes of CTC

Sub-sector cost-effectiveness thresholds: n/a

Project Titles:

National ODS phase-out plan (first tranche):

- (a) Training and certification programme for refrigeration service technicians, including development of a code of good practices
- (b) Training programme for custom officers
- (c) Public awareness and information dissemination to main stakeholders
- (d) Technical assistance programme for the refrigeration servicing subsectors
- (e) Technical assistance for the phase out of ODS solvents
- (f) Monitoring and management unit

Project Data	National ODS phase-out plan (first tranche)					
	(a)	(b)	(c)	(d)	(e)	(f)
Enterprise consumption (ODP tonnes)						
Project impact (ODP tonnes)				36		
Project duration (months)	72	60	24	84	84	84
Initial amount requested (US \$)	39,500	21,000	30,000	96,000	25,000	34,000
Final project cost (US \$):						
Incremental capital cost (a)	225,000	45,000	60,000	786,000	25,000	214,000
Contingency cost (b)						
Incremental operating cost (c)						
Total project cost (a+b+c)	225,000	45,000	60,000	786,000	25,000	214,000
Local ownership (%)	100%	100%	100%	100%	100%	100%
Export component (%)	0%	0%	0%	0%	0%	0%
Amount requested for first tranche (US \$)	39,500	21,000	30,000	96,000	25,000	34,000
Cost effectiveness (US \$/kg.)*						
Counterpart funding confirmed?						
National coordinating agency			National Ozone Office			
Implementing agency	UNEP	UNEP	UNEP	UNDP	UNDP	UNDP
Total for project	US \$1,355,000					

Secretariat's Recommendations						
Amount recommended (US \$)	39,500	21,000	30,000	96,000	25,000	34,000
Project impact (ODP tonnes)				36		
Cost effectiveness (US \$/kg)*						
Implementing agency support cost (US \$)	5,135	2,730	3,900	7,200	1,875	2,550
Total cost to Multilateral Fund (US \$)	44,635	23,730	33,900	103,200	26,875	36,550

*The overall cost-effectiveness for the entire project is US \$6.74/kg

PROJECT DESCRIPTION

1. The Government of Bangladesh submitted for consideration by the Executive Committee at its 42nd Meeting a national ODS phase-out plan (the Plan or NPP). Implementation of the Plan will lead to the phase-out of the remaining consumption of Annex A, Group I (CFCs) substances (194 ODP tonnes) and Annex B, Groups II and III (CTC and MCF) substances (7 ODP tonnes).

Remaining ODS consumption in Bangladesh

2. In 1999, the Government of Bangladesh reported under Article 7 of the Montreal Protocol, the following ODS consumption: 800.6 ODP tonnes of CFCs, 6.05 ODP tonnes of CTC and 1.0 ODP tonne of TCA. On the basis of Decision 35/57, the remaining CFC consumption eligible for funding was calculated at 664.4 ODP tonnes (Option 2). Since the 35th Meeting, the Executive Committee has not approved any project for phase out of CFCs in the country.

3. At its 17th Meeting, the Executive Committee approved a project for the phase out of 123.6 ODP tonnes of CFCs used as an aerosol propellant by the sole aerosol manufacturing plant. However, after the project was approved, the enterprise increased its CFC consumption to 595.0 ODP tonnes. In 2002, the project was completed. Therefore, after deducting the increased CFC consumption in the aerosol sector from the unfunded CFC consumption, the remaining eligible consumption is 194.0 ODP tonnes.

4. A survey was conducted in 2003 during the preparation of the Bangladesh country programme update. Based on the survey, the current CFC consumption in the country is 314.9 ODP tonnes, with the following breakdown: 13.1 ODP tonnes of CFC-11, 298.2 ODP tonnes of CFC-12, and 3.6 ODP tonnes of R-502. Of this amount, 8.8 ODP tonnes of CFC-11 and 12.9 ODP tonnes CFC-12 were used for MDI applications (this consumption has never been reported to the Multilateral Fund). As a result, no CFC consumption is allocated to MDI applications. The survey also covered the solvent sector, where 32.2 ODP tonnes of CTC and 2.5 ODP tonnes of TCA were found to be consumed.

ODS regulations

5. The Government of Bangladesh has enacted regulations for imports and exports of ODS and ODS-based products. In order to strengthen these controls, legislation under the Environment Protection Act of 1995 has been drafted and will be enforced in early 2004. It includes controls on ODS import/export and sale/purchase including a mandatory reporting on these operations, and a ban on the production of ODS-based compressors. In addition, the tariff on ODSs has been increased while the tariffs for non-ODS refrigerants have been reduced.

Manufacturing sector

6. During the survey conducted in 2003, an assembler of domestic and commercial refrigeration equipment was identified, with a reported consumption of 1.3 ODP tonnes of CFC-12 (CFC-11 is not used for insulation). There are, however, other SME assemblers which have reported to the Government their CFC consumption. Since the Executive Committee has not

approved any investment project in the refrigeration manufacturing sector in Bangladesh, it is proposed in the Plan to provide support to at least four SME assemblers (with a total consumption of 4 ODP tonnes) to convert to HFC-134a refrigerant.

7. Each SME assembler will be provided with a semi-automatic charging unit, vacuum pumps and a hand held leak detector. After completing the conversion, the baseline equipment will be rendered unusable with CFCs, or retained for servicing of previously manufactured equipment as needed. The Department of the Environment will ensure the disposal of the replaced equipment and provide documentary evidence. The total cost of the conversion is estimated at US \$92,000.

Servicing sector

8. The Bangladesh RMP was approved in November 1999 (29th Meeting of the Executive Committee). However, implementation of the RMP could not effectively start until 2003. Since then, the train the trainers programme in good refrigerant management practices has been completed and the training programme for refrigeration service technicians is under current implementation (in total, 2,000 technicians will be trained). The recycling centres have been established and recovery machines have been distributed to eligible workshops.

9. The refrigeration servicing sector was reasonably well covered in the RMP project, with some gap areas remaining. The 1997 and 2002 consumption of refrigerants by subsector and application are presented in the table below:

Subsector	ODS	Application	ODS consumption (MT)	
			1997	2002
Domestic refrigerators				
Domestic and small commercial systems	CFC-11	Flushing	0.660	0.00
	CFC-12	Recharge	121.522	157.710
	HCFC-22	Charge/recharge	N/a	46.202
Commercial and industrial systems				
Ice cream, dairy, food	CFC-12	Recharge	120.075	19.691
	HCFC-22	Recharge	0.220	1.080
	R-502	Recharge	1.054	10.480
Ice cream and cold storage	CFC-12	Recharge	3.262	7.500
	HCFC-22	Recharge	N/a	47.143
Fisheries	CFC-12	Recharge	1.969	0.00
	HCFC-22	Recharge	1.688	17.500
Soft drink	CFC-12	Recharge	N/a	0.780
	HCFC-22	Recharge	N/a	1.360
Assembly	CFC-12	Initial charge	N/a	1.305
	HCFC-22	Initial charge	N/a	35.820
Air-conditioning	CFC-11	Flushing/recharge	4.160	4.275
	CFC-12	Recharge	0.100	4.964
	HCFC-22	Initial charge	68.331	5.089
	HCFC-123	Charge/recharge	5.055	0.00
MACs				
Vehicles	CFC-12	Recharge	16.100	76.634
Buses	CFC-12	Recharge	N/a	12.960
Railway	CFC-12	Recharge	N/a	3.468

Subsector	ODS	Application	ODS consumption (MT)	
			1997	2002
Refrigerated vans	CFC-12	Recharge	N/a	0.300
	R-502	Recharge	N/a	1.400
Fishing trawler	HCFC-22	Recharge	N/a	70.416

10. Based on the survey conducted for the preparation of the Plan, it was found that:
- CFC-11 is no longer used for flushing refrigeration systems;
 - Consumption of CFC-12 has increased for servicing domestic refrigeration, small commercial refrigeration systems and MAC units, while the consumption for servicing medium- and large-size commercial refrigerators has decreased;
 - Consumption of R-502 in the commercial refrigeration subsector has increased, while the consumption of CFC-11 in air conditioning systems remained constant;
 - Most of the refrigeration equipment is being serviced after the refrigerant has leaked out; this situation creates a continuous demand for virgin CFCs;
 - Since 1997, imports of vehicles and buses fitted with CFC-12-based MAC units have increased (all vehicles with a MAC unit imported up to 1999 were based on CFC-12 refrigerant); and
 - Servicing of HFC-134a MAC units with CFC-12 refrigerant has also been reported.

Activities proposed in the Plan

11. The Plan, at a total cost of US \$2,090,000, consists of the following subprojects:
- Public awareness campaign (US \$250,000), which includes an intensive campaign with advertisements in newspapers and television to sensitise the public on the impact of CFC-12 phase out;
 - Code of good practice, certification of technicians and training of technicians in the unorganised sector (US \$287,000), to provide additional training for the 25,000 technicians in the country, mostly in the unorganised sector; to develop and disseminate a code of good practice for refrigeration servicing technicians; and to introduce a certification programme for technicians;
 - Recovery and recycling machines (US \$418,000), to provide manual recovery units and small vacuum pumps for workshops servicing domestic and small commercial refrigeration systems, including information dissemination;
 - Retrofit of domestic and small commercial refrigerators to hydrocarbon blends (US \$321,000), to implement a pilot project to retrofit 10,000 systems (US \$15/kit) based on the criteria and techniques of retrofitting refrigeration equipment to

hydrocarbon blends in India (the Government of Bangladesh is keen to implement the technology with South-South cooperation). The subproject will be implemented on a cost recovery basis (the funds generated will be reinvested in the programme);

- (e) Retrofit of MAC equipment (US \$267,000), to implement a pilot project to retrofit 1,000 MAC systems (US \$200/kit) through some organized MAC workshops. The subproject will be implemented on a cost recovery basis (the funds generated will be reinvested in the programme);
- (f) Technical assistance for commercial sector end-users (US \$20,000), to provide awareness to large commercial end-users on current non-ODS technologies available, how to make decisions on whether to retrofit or replace refrigeration equipment, and cost related issues;
- (g) Additional customs training, enforcement and provision of refrigerant identification kit (US \$45,000), to provide additional training to customs officer of different check-posts, including the procurement of 15 ODS identification kits.

ODS phase out in the solvent sector

12. CTC (32.2 ODP tonnes) is used by the Ready Made Garment industry for spot cleaning. Cleaning operations vary from a spray gun to a mechanized inspection table with spot spraying facility and a suction system to remove CTC. TCA (2.5 ODP tonnes) is mainly used by the electrical and electronics industry for degreasing and cleaning and in the plastics industry as an adhesive solvent.

13. The Plan is proposing a technical assistance programme (US \$25,000) to the various end-users for determining viable and economic alternatives to CTC and MCF. A workshop for all the industry sub-sectors and chemical importers/suppliers is proposed.

Monitoring and management of the Plan

14. The Plan is proposing the establishment of a monitoring and management unit (US \$365,000) to ensure that all the subprojects are implemented as planned. The unit will carry out the day-to-day implementation and monitoring activities and advise the Ozone Unit, UNDP and UNEP on corrective action to be taken wherever necessary.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Non-compliance issue

15. At their 14th Meeting, the Parties to the Montreal Protocol noted, *inter alia*, that for the July 2000 to June 2001 control period, Bangladesh was in non-compliance with its obligations

under Article 2A of the Montreal Protocol; however, according to the information provided to the Implementation Committee by both Bangladesh and UNDP, Bangladesh was expected to return to compliance in the control period of 1 July 2001-31 December 2002 (Decision XIV/29). In 2002, the level of CFC consumption reported by the Government of Bangladesh under Article 7 was 328 ODP tonnes (253.6 ODP tonnes below the CFC baseline).

Implementation of the approved RMP project

16. The implementation of the RMP project (approved at the 29th Meeting) only commenced in 2003. Taking into consideration the increase in CFC consumption in the refrigeration sector between 1998 and 2002 (from 202.4 tonnes to 330.3 tonnes in 2002), the Secretariat sought clarification on whether the increase in CFC consumption was due to the delay in the implementation of the RMP. UNDP informed the Secretariat that the increase in CFC consumption in the refrigeration sector cannot be attributed to the delay in the implementation of the RMP project. The number of CFC-based refrigeration systems and MAC units in the country had increased since the original RMP project had been prepared in 1997. Furthermore, at the time of the preparation of the RMP proposal, some CFC users (e.g., railways and distributors of vehicle/buses) had not been adequately surveyed.

Alternative approach

17. The Secretariat noted that the activities already approved within the original RMP at a total cost of over US \$440,000 were not taken into consideration in the phase-out plan. Also, some of the items requested under the phase-out plan are not eligible or more expensive than similar items requested in projects already approved. (e.g., the proposal for TV spots/radio and newspaper adds at US \$250,000; the request for retrofit kits for domestic refrigerators and MAC units at US \$420,000; costs for printing and distribution of material for a code of good practices, and the request for hotel accommodation for representatives of equipment manufacturers).

18. Taking into consideration that the original RMP project started implementation in 2003; the amount of CFC refrigerants potentially to be recovered is small; the practice of using CFCs to service some non-CFC based MAC units, and the current price differential between CFC and non-CFC refrigerants, the Secretariat proposed to combine the request for recovery and recycling equipment, retrofit of refrigeration systems and assistance for commercial refrigerator end-users under one overall budget dedicated to the provision of a mix of equipment. This would cover service tools (such as recovery units, MAC recovery/recycling machines, brazing equipment, vacuum pumps, leak detectors and other basic tools) and cost-effective and sustainable refrigeration systems retrofits, to be selected on the basis of the needs identified over the 3-year project implementation time-frame. Thus, the objective would be to continuously monitor and survey the needs of the refrigeration sector and adapt the project accordingly.

19. Subsequently, UNDP and UNEP agreed to the approach proposed by the Secretariat and reviewed the project proposal. The agreed total cost is US \$1,355,000 with the following components:

- (a) Training and certification programme for refrigeration service technicians, including development of a code of good practices (US \$225,000);

- (b) Training programme for customs officers (US \$45,000);
- (c) Public awareness and information dissemination to main stakeholders (US \$60,000);
- (d) Technical assistance programme for the refrigeration servicing subsectors (US \$786,000);
- (e) Technical assistance for the phase out of ODS solvents (US \$25,000); and
- (f) Monitoring and management unit (US \$214,000).

Agreement

20. The draft agreement between the Government of Bangladesh and the Executive Committee for the complete phase out of Annex A (Group I) and Annex B (Groups II and III) substances in Bangladesh is presented in Annex I to this document.

RECOMMENDATION

21. The Fund Secretariat recommends that the Executive Committee:

- (a) Approves in principle funding of US \$1,355,000 and US \$119,775 in agency support costs for the phase-out plan for Annex A (Group I) and Annex B (Groups II and III) substances in Bangladesh;
- (b) Approves the draft agreement between the Government of Bangladesh and the Executive Committee contained in Annex I to this document; and
- (c) Allocates US \$155,000 plus support cost of US \$11,625 for UNDP and US \$90,500 plus support cost of US \$11,765 to UNEP for the first annual implementation programme, distributed as follows:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Training and certification programme for refrigeration service technicians, including development of a code of good practices	39,500	5,135	UNEP
(b)	Training programme for custom officers	21,000	2,730	UNEP
(c)	Public awareness and information dissemination to main stakeholders	30,000	3,900	UNEP
(d)	Technical assistance programme for the refrigeration servicing subsectors	96,000	7,200	UNDP
(e)	Technical assistance for the phase out of ODS solvents	25,000	1,875	UNDP
(f)	Monitoring and management unit	34,000	2,550	UNDP

Annex I

AGREEMENT BETWEEN THE PEOPLE'S REPUBLIC OF BANGLADESH AND THE EXECUTIVE COMMITTEE FOR THE NATIONAL PHASE-OUT OF ANNEX A (GROUP I) SUBSTANCES AND ANNEX B (GROUPS II AND III) SUBSTANCES

1. This Agreement represents the understanding of the Peoples Republic of Bangladesh (the "Country") and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the "Substances") prior to 2010 compliance with Protocol schedules.
2. The Country agrees to phase out the controlled use of the Substances in Annex A (Group I) and Annex B (Groups II and III) of the Montreal Protocol in accordance with the annual phase-out targets set out in rows 2 and 7 of Appendix 2-A (the "Targets") and this Agreement. The annual phase-out targets will, at a minimum, correspond to the reduction schedules mandated by the Montreal Protocol. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 12 of Appendix 2-A (the "Funding") to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the "Funding Disbursement Schedule").
4. The Country will meet the consumption limits for each Substance as indicated in Appendix 2-A. It will also accept independent verification by the relevant Implementing Agency of achievement of these consumption limits as described in paragraph 9 of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Disbursement Schedule unless the Country satisfies the following conditions at least 30 days prior to the applicable Executive Committee meeting set out in the Funding Disbursement Schedule:
 - (a) That the Country has met the Target for the applicable year;
 - (b) That the meeting of these Targets has been independently verified as described in paragraph 9;
 - (c) That the Country has substantially completed all actions set out in the last Annual Implementation Programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the "Annual Implementation Programmes") in respect of the year for which funding is being requested.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 9.

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may use the Funding for other purposes that can be demonstrated to facilitate the smoothest possible phase-out, consistent with this Agreement, whether or not that use of funds was contemplated in determining the amount of funding under this Agreement. Any changes in the use of the Funding must, however, be documented in advance in the Country’s Annual Implementation Programme, endorsed by the Executive Committee as described in sub paragraph 5(d) and be subject to independent verification as described in paragraph 9.

8. Specific attention will be paid to the execution of the activities in the servicing sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme for the refrigeration servicing subsectors would be implemented in stages so that resources can be diverted to other activities such as, additional training or procurement of service tools, in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP (the “Lead IA”) has agreed to be the lead implementing agency and UNEP (the “Cooperating IA”) has agreed to be cooperating implementing agency under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification. The Country also agrees to periodic evaluations, which will be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 13 and 14 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances in Annex A (Group I) and Annex B (Groups II and III) of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Disbursement Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Disbursement Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next instalment of Funding under the Funding Disbursement Schedule. The Country

acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The Funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the Funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide access by the Lead IA to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

Appendices

Appendix 1-A: The Substances

Annex A:	Group I	CFC-11, CFC-12, and CFC-115
Annex B	Group II	CTC
	Group III	TCA

Appendix 2-A: The Targets, and Funding

	2004	2005	2006	2007	2008	2009	2010	Total
1. Max allowable total consumption of Annex A Group I substances (ODP tonnes)	580.4	290.2	290.2	87.1	87.1	87.1	0	
2. Maximum agreed total consumption of Annex A Group I substances (ODP tonnes)(*)	328.7	289.7	207.2	87.1	71.0	53.0	0	
3. Reduction from ongoing projects (RMP)	3.0	5.0	11.6	11.6	11.6	11.6	0	
4. New reduction under plan	36.0	77.5	108.5	3.3	6.4	28.8	0	
5. Total annual reduction of Annex A Group I substances (ODP tonnes)	39.0	82.5	120.1	14.9	18.0	40.4	0	
6. Max allowable total consumption of Annex B Groups II and III substances (ODP tonnes)	6.6	1.5	1.5	1.5	1.5	1.5		
7. Maximum agreed total consumption of Annex B Groups II and III substances (ODP tonnes)	6.6	1.5	1.5	1.5	1.5	1.5	0	
8. New reduction under plan		7.1					0	
9. Total annual reduction of Annex B Groups II and III substances (ODP tonnes)		7.1						
10. UNDP agreed funding (US \$)	155,000	516,000	134,000	55,000	55,000	55,000	55,000	1,025,000
11. UNEP agreed funding (US \$)	90,500	125,500	30,500	30,500	30,500	22,500		330,000
12. Total agreed funding (US \$)	245,500	641,500	164,500	85,500	85,500	77,500	55,000	1,355,000
13. UNDP support costs (US \$)	11,625	38,700	10,050	4,125	4,125	4,125	4,125	76,875
14. UNEP support cost (US \$)	11,765	16,315	3,965	3,965	3,965	2,925		42,900
15. Total agency support costs (US \$)	23,390	55,015	14,015	8,090	8,090	7,050	4,125	119,775

(*) Of the 328.7 ODP tonnes of CFCs, 194 ODP tonnes are eligible for funding by the Multilateral Fund

Appendix 3-A: Funding Disbursement Schedule

1. Funding will be submitted for approval at the first meeting of the year for activities to be completed in that year. Seven submissions for funding are being proposed. The schedule of submissions for funding will be:

Year	Milestone	Disbursement (US \$)
March 2004	Approval of the Programme	245,500
March 2005	36.0 ODP Phase Out from NPP + 3.0 ODP Phase Out from ongoing RMP, Code of Practice ready, certification of technicians started, 4,000 technicians trained, 1,000 Fridges retrofitted, TA seminar for large commercial R&AC users completed, Customs training started, Solvent workshop completed, PMU in place	641,500
March 2006	77.5 ODP Phase Out from NPP + 5.0 ODP Phase Out from ongoing RMP, 4,000 technicians trained, 1,500 fridges and 125 cars retrofitted + 7.05 ODP Tonnes phase out in the Solvent sector	164,500
March 2007	108.5 ODP Phase Out from NPP + 11.60 ODP Phase Out from ongoing RMP, another 3,000 technicians trained, 1,500 fridges and 125 cars retrofitted	85,500
March 2008	3.25 ODP Phase Out from NPP + 11.60 ODP Phase Out from ongoing RMP, another 3,000 technicians trained	85,500
March 2009	6.4 ODP Phase Out from NPP + 11.60 ODP Phase Out from ongoing RMP, another 3,000 technicians trained	77,500
March 2010	41.38 ODP Phase Out from NPP + 11.60 ODP Phase Out from ongoing RMP, another 4,000 technicians trained	55,000

Note

NPP = national phase-out plan
PMU = project management unit
TA = technical assistance

Appendix 4-A: Format of Annual Implementation Programme

- Data**

Country _____

Year of plan _____

of years completed _____

of years remaining under the plan _____

Target ODS consumption of the preceding year _____

Target ODS consumption of the year of plan _____

Level of funding requested _____

Lead implementing agency _____

Co-operating agency(ies) _____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1)-(2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Aerosol						
Foam						
Refrigeration						
Solvents						
Other						
Total						
Servicing						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity: _____
 Objective: _____
 Target Group: _____
 Impact: _____

5. Government Action

Policy/Activity Planned	Schedule of Implementation
Type of policy control on ODS import: servicing, etc	
Public awareness	
Others	

6. Annual Budget

Activity	Planned Expenditures (US \$)
Total	

7. Administrative Fees

Appendix 5-A: Monitoring Institutions and Roles

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", which is included within this NPP.
2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the NPP. This organization, along with the cooperating IA will also undertake the challenging task of monitoring and controlling illegal ODS imports into the country.
3. The success of the monitoring programme will be based on three axes: 1) well designed forms for data collection, evaluation and reporting, 2) regular programme of monitoring visits; and, 3) appropriate cross-checking of information from different sources.
4. Each of the different projects within the NPP will need a different monitoring sub-programme suited to the objectives of the project.

Verification and reporting

5. The outcome of the different elements of the NPP and of the monitoring activities will be verified independently by an external organization. The Government and the independent organization will jointly design the verification procedures as part of the design phase of the monitoring programme.

Institution for conducting the verification

6. The Government of Bangladesh wishes to designate UNDP as the independent organization to carry out the verification of the NPP results and the monitoring programme.

Frequency of verification and reporting

7. The monitoring reports will be produced and verified each year, previous to the first meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

Appendix 6-A: Role of the Lead IA

1. The Lead IA will be responsible for a range of activities to be specified in the project document along the lines of the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;

Annex I

- (b) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme;
- (c) Assisting the Country in preparation of the Annual Implementation Programme;
- (d) Ensuring that achievements in previous Annual Implementation Programmes are reflected in future Annual Implementation Programmes;
- (e) Reporting on the implementation of the Annual Implementation Programme commencing with the Annual Implementation Programme for the year 2004 to be prepared and submitted in year 2005;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the lead Implementing Agency;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets;
- (j) Coordinating the activities of the Coordinating IAs, if any;
- (k) Ensuring that disbursements made to the Country are based on the use of the Indicators; and
- (l) Providing assistance with policy, management and technical support when required.

Appendix 6-B: Role of Cooperating IA

1. The cooperating implementing agency, will:
 - (a) Provide policy development assistance when required;
 - (b) Assist the Government of Bangladesh in the implementation and verification of the activities funded for UNEP; and
 - (c) Provide reports to the lead IA on these activities, for inclusion in the consolidated reports.

Appendix 7-A: Reductions in Funding for Failure to Comply

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$13,480 per ODP tonne of reductions in consumption not achieved in the year.
