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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

**TERMS OF REFERENCE OF THE EXECUTIVE COMMITTEE
(Follow-up to Decision 41/1)**

1. The Executive Committee at its 41st Meeting decided, *inter alia*,:
 - “(c) To place the issue of Decision XV/48 of the Fifteenth Meeting of the Parties on the agenda of the Executive Committee for its 42nd Meeting”
2. To facilitate the deliberations of the Committee, the Fund Secretariat has prepared this paper containing the Decision XV/48 taken at the last Meeting of the Parties as well as the Terms of Reference of the Executive Committee as modified by the Ninth Meeting of the Parties (Decision IX/16).

Decision XV/48. Decision on the report of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

Recalling the terms of reference of the Executive Committee as modified by the ninth Meeting of the Parties in its decision IX/16,

Aware of the need to improve the selection process for the Chief Officer,

1. To take note with appreciation of the presentation by the Chairman of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol and of the report of the Executive Committee contained in document UNEP/OzL.Pro.15/8;

2. To consider amending, at the Sixteenth Meeting of the Parties, the relevant provision of the terms of reference of the Executive Committee relating to the nomination and appointment of the Chief Officer, taking into account the proposals of the Chair of the Executive Committee given in the annex to the present decision, and also those made by other Parties;

3. To request the Executive Committee to enter into consultations with the United Nations Secretariat and the Executive Director of the United Nations Environment Programme on that matter and to report thereon to the Sixteenth Meeting of the Parties;

Annex

Add the following understanding on paragraph 10 (k) of the terms of reference of the Executive Committee:

“The Executive Committee should prepare a short list of the eligible candidates, together with its recommendation, from which the Secretary-General would make a final selection.”

**TERMS OF REFERENCE OF THE EXECUTIVE COMMITTEE AS MODIFIED BY
THE NINTH MEETING OF THE PARTIES IN ITS DECISION IX/16**

1. The Executive Committee of the Parties is established to develop and monitor the implementation of specific operational policies, guidelines and administrative arrangements, including the disbursement of resources, for the purpose of achieving the objectives of the Multilateral Fund under the Financial Mechanism.
2. The Executive Committee shall consist of seven Parties from the group of Parties operating under paragraph 1 of Article 5 of the Protocol and seven Parties from the group of Parties not so operating. Each group shall select its Executive Committee members. The members of the Executive Committee shall be formally endorsed by the Meeting of the Parties.
- 2 bis. The members of the Executive Committee whose selection was endorsed by the Eighth Meeting of the Parties shall remain in office until 31 December 1997. Thereafter, the term of office of the members of the Committee shall be the calendar year commencing on 1 January of the calendar year after the date of their endorsement by the Meeting of the Parties.
3. The Chairman and Vice-Chairman shall be selected from the fourteen Executive Committee members. The office of Chairman is subject to rotation, on an annual basis, between the Parties operating under paragraph 1 of Article 5 and the Parties not so operating. The group of Parties entitled to the chairmanship shall select the Chairman from among their members of the Executive Committee. The Vice-Chairman shall be selected by the other group from within their number.
4. Decisions by the Executive Committee shall be taken by consensus whenever possible. If all efforts at consensus have been exhausted and no agreement reached, decisions shall be taken by a two-thirds majority of the Parties present and voting, representing a majority of the Parties operating under paragraph 1 of Article 5 and a majority of the Parties not so operating present and voting.
5. The meetings of the Executive Committee shall be conducted in those official languages of the United Nations required by members of the Executive Committee. Nevertheless, the Executive Committee may agree to conduct its business in one of the United Nations official languages.

6. Costs of Executive Committee meetings, including travel and subsistence of Committee participants from Parties operating under paragraph 1 of Article 5, shall be disbursed from the Multilateral Fund as necessary.

7. The Executive Committee shall ensure that the expertise required to perform its functions is available to it.

8. The Executive Committee shall hold three meetings a year while retaining the flexibility to take advantage of the opportunity provided by other Montreal Protocol meetings to convene additional meetings where special circumstances make this desirable.

9. The Executive Committee shall adopt other rules of procedure on a provisional basis and in accordance with paragraphs 1 to 8 of the present terms of reference. Such provisional rules of procedure shall be submitted to the next annual meeting of the Parties for endorsement. This procedure shall also be followed when such rules of procedure are amended.

10. The functions of the Executive Committee shall include:

(a) To develop and monitor the implementation of specific operational policies, guidelines and administrative arrangements, including the disbursement of resources;

(b) To develop the plan and budget for the Multilateral Fund, including allocation of Multilateral Fund resources among the agencies identified in paragraph 5 of Article 10 of the Amended Protocol;

(c) To supervise and guide the administration of the Multilateral Fund;

(d) To develop the criteria for project eligibility and guidelines for the implementation of activities supported by the Multilateral Fund;

(e) To review regularly the performance reports on the implementation of activities supported by the Multilateral Fund;

(f) To monitor and evaluate expenditure incurred under the Multilateral Fund;

(g) To consider and, where appropriate, approve country programmes for compliance with the Protocol and, in the context of those country programmes, assess and where applicable

approve all project proposals or groups of project proposals where the agreed incremental costs exceed \$500,000;

(h) To review any disagreement by a Party operating under paragraph 1 of Article 5 with any decision taken with regard to a request for financing by that Party of a project or projects where the agreed incremental costs are less than \$500,000;

(i) To assess annually whether the contributions through bilateral cooperation, including particular regional cases, comply with the criteria set out by the Parties for consideration as part of the contributions to the Multilateral Fund;

(j) To report annually to the meeting of the Parties on the activities exercised under the functions outlined above, and to make recommendations as appropriate;

(k) To nominate, for appointment by the Executive Director of UNEP, the Chief Officer of the Fund Secretariat, who shall work under the Executive Committee and report to it; and

(l) To perform such other functions as may be assigned to it by the Meeting of the Parties.
