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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-third Meeting
Geneva, 5-9 July 2004

PROVISIONAL ANNOTATED AGENDA

1. Opening of the meeting

Opening remarks by the Chairperson of the Executive Committee.

2. Organizational matters:

(a) Adoption of the agenda

Document UNEP/OzL.Pro/ExCom/43/1: contains the Provisional Agenda for the 43rd Meeting of the Executive Committee.

Action expected from the Executive Committee: the Committee might wish to adopt the Agenda of the meeting on the basis of the Provisional Agenda as contained in document UNEP/OzL.Pro/ExCom/43/1.

(b) Organization of work

The Chairperson will propose to the plenary the organization of work.

3. Secretariat activities

Document UNEP/OzL.Pro/ExCom/43/2: presents a report on the activities of the Secretariat since the 42nd Meeting of the Executive Committee. The document includes information on the follow-up activities implemented by the Secretariat on the outcome of the 42nd Meeting, and the preparations for the 43rd Meeting. It also includes information on the missions undertaken by the Chief Officer and the staff of the Secretariat during this period of time.

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.

Issues to be addressed: none.

Action expected from the Executive Committee: the Executive Committee may wish to take note of the report.

4. Status of contributions and disbursements

Document UNEP/OzL.Pro/ExCom/43/3: provides information on the status of the Fund on 1 June 2004 as recorded by the Treasurer. As of that date, the Fund's balance stands at US \$33,768,860, after taking into account all the funds approved by the Executive Committee, including those approved at the 42nd Meeting. The Fund's balance will be updated by the Treasurer to reflect new contributions made by the Parties at the time of the meeting. It will also provide updated information on the gain and loss in the fixed exchange rate mechanism.

Action expected from the Executive Committee: the Executive Committee may wish to take note with appreciation, of the Treasurer's report.

5. Status of resources and planning:

(a) Balances report and availability of resources

Document UNEP/OzL.Pro/ExCom/43/4: contains the submission of the implementing agencies on completed projects with balances, the return of funds from cancelled projects, and other project adjustments.

Issues to be addressed:

- Agencies returning US \$960,388 plus US \$107,885 in agency fees;
- Balances from projects completed over two years ago; and
- Total resources available for the 43rd Meeting.

Action expected from the Executive Committee: the Executive Committee may wish to:

1. Note the report on project balances contained in UNEP/OzL.Pro/ExCom/43/4.
2. Note the levels of funds being returned to the 43rd Meeting against project balances totalling US \$960,388 (UNDP--US \$617,556 net of reimbursement of funds previously returned in error for six projects by UNDP; UNEP--US \$214,930; UNIDO--US \$27,470; and the World Bank--US \$100,432 net of the funds returned by UNDP for the Thai institutional strengthening project to be transferred to the World Bank), and additionally the return of support costs totalling US \$107,885 (UNDP--US \$80,078 net of reimbursement of support costs previously returned in error for six projects by UNDP; UNEP--US \$19,289; UNIDO--US \$3,484; and the World Bank--US \$5,034 net of reimbursement of support costs associated with the transfer of the Thai institutional strengthening project).

3. Note that implementing agencies had balances totalling US \$1,093,535 excluding support costs from projects completed over two years ago: UNDP (US \$808,118 plus support costs); and the World Bank (US \$285,417 plus support costs).
4. Note that US \$34,837,133 was available to the Executive Committee for approvals at the 43rd Meeting.

(b) 2004 business plan

Document UNEP/OzL.Pro/ExCom/43/5: considers business planning in the light of the submissions to the 43rd Meeting.

Issues to be addressed:

- Countries at risk of non-compliance in the 2004 business plan.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

1. Noting the Report on the status of the 2004 business plans as contained in UNEP/OzL.Pro/ExCom/43/5 and the fact that US \$94 million is left to be submitted for activities in the 2004 business plans containing 22 new multi-year agreements and 176 other projects.
2. Urging bilateral and implementing agencies with projects in the 2004 business plans for countries at risk of non-compliance to submit these projects to the 44th Meeting as a matter of urgency.

(c) Status/prospects of Article 5 countries in achieving compliance with the initial and intermediate control measures of the Montreal Protocol.

Document UNEP/OzL.Pro/ExCom/43/6: contains three parts. Part I is prepared in response to Decision 32/76(b) and presents analyses of potential compliance for CFCs, halons, methyl bromide, carbon tetrachloride (CTC) and methyl chloroform (TCA). Part II contains an update of the status of implementation of ongoing projects for all Article 5 countries that have been found to be in non-compliance by the Meeting of the Parties by country. Part III contains an analysis of the ODS consumption data by sector presented by Article 5 countries to the Executive Committee on the implementation of their country programmes.

Issues to be addressed:

- Status of compliance, status of implementation of ongoing projects and data on the implementation of country programmes;
- Need for timely implementation of business plans; and
- 2003 data for countries found to be in non-compliance by the 15th Meeting of the Parties.

Action expected from the Executive Committee: The Executive Committee may wish to:

1. Note the report on the Status/prospects of Article 5 countries in achieving compliance with the initial and intermediate control measures of the Montreal Protocol as contained in UNEP/OzL.Pro/ExCom/43/6 that includes data on the status of implementation of going projects in Part II and the implementation of country programmes in Part III.
2. Urge implementing and bilateral agencies as well as the relevant Article 5 countries to adhere to the timely implementation of the 2003 business plans.
3. Request bilateral and implementing agencies to include phase-out activities, where appropriate for eligible consumption, in their 2005-2007 business plans for the following countries:

For halon: Haiti, Georgia, Liberia, Sierra Leone and Somalia (when the conditions appear conducive to a sustainable operation).

6. Programme implementation:

(a) Report on the intermediate evaluation of halon banking projects for countries with medium and low volume of installed halon capacities

Document UNEP/OzL.Pro/ExCom/43/7: presents a status report on the implementation of the intermediate evaluation of halon banking projects in countries with low levels of installed capacities.

Issues to be addressed: none

Action expected from the Executive Committee: the Executive Committee may wish to take note of the status report provided in Document UNEP/OzL.Pro/ExCom/43/7.

(b) Desk study on methyl bromide projects

Document UNEP/OzL.Pro/ExCom/43/8: presents a synthesis of four sub-sector studies conducted by consultants who analyzed the documentation available concerning methyl bromide projects in horticulture including vegetables, strawberries, and bananas, cut flowers, tobacco, and post harvest. The objective of this study is to identify the main issues for further analysis and to propose a work plan for the second phase of the evaluation which will include field visits.

Issues to be addressed:

- Methyl bromide consumption trends and countries' compliance;
- Availability and quality of information in project progress and completion reports; and
- Issues identified for the main evaluation and work plan proposed.

Action expected from the Executive Committee: the Executive Committee might wish to take note of the information provided in document UNEP/OzL.Pro/ExCom/43/8, including the proposed evaluation issues and approach for the second phase of the evaluation.

(c) Follow-up to Decision 42/12 (c) on the intermediate evaluation of CFC production sector phase-out agreements

Document UNEP/OzL.Pro/ExCom/43/9: presents comments of the Secretariat on a report prepared by the Ozone Cell, Ministry of Environment and Forests Government of India and the World Bank as requested in Decision 42/12 (c). The report is attached with the document.

Issues to be addressed:

- Methodology employed by SRI for the preparation of the technical audit;
- CFC production data reported under Article 7 and presented in the technical audit, the project document and subsequent verification reports; and
- Possible measurements of gross and net saleable CFC production.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

1. Taking note of the Report prepared by the Ozone Cell, Ministry of Environment and Forests Government of India and The World Bank.
2. Providing a clarification whether the Government of India, in cooperation with the World Bank, should plan and verify allowable CFC production in India as net or gross production.

(d) Progress reports as at 31 December 2003:

(i) Consolidated progress report

Document UNEP/OzL.Pro/ExCom/43/10: summarises the progress and financial information of the implementation of projects and activities supported by the Fund up to 31 December 2003. The document contains three annexes: Annex I contains project implementation data by country; Annex II contains an analysis of progress report data; and Annex III, which is a new addition to the document, contains a review of ongoing projects by country.

Issues to be addressed:

- Non submission of bilateral progress reports; and
- Slow delivery of projects.

Action expected from the Executive Committee: the Executive Committee may wish to:

1. Note the Consolidated Progress Report of the Multilateral Fund as contained in UNEP/OzL.Pro/ExCom/43/10.
2. Encourage those bilateral agencies that have not reported the financial data to the Secretariat or financial closure with regard to bilateral activities, to do so as a matter of urgency.
3. Note the slow rate of project completion during 2003 for all agencies and the lower level of phase-out than planned and encourage implementing agencies and Article 5 countries to expedite project implementation.

(ii) Bilateral cooperation

Document UNEP/OzL.Pro/ExCom/43/11: contains the progress report on activities implemented under bilateral cooperation by: Australia, Canada, Germany, Italy, Sweden and United Kingdom.

Issue to be addressed:

- Progress reports that were not received from Finland, France, Japan and Switzerland;
- UNEP's responsibility for progress reporting on bilateral requests from the Czech Republic, Hungary and the Slovak Republic;
- Request to UNDP to return balances from the cancelled project in Bolivia under Belgian implementation; and
- Additional monitoring for projects not subject to procedures for project cancellation.

Action expected from the Executive Committee: The Executive Committee may wish to:

1. Note with appreciation the progress reports submitted by the Governments of Australia, Canada, Germany, Sweden, and the United Kingdom and the information provided by Belgium, Israel and Poland.
2. Request the Governments of Finland, France, Japan and Switzerland to provide their progress reports to the 44th Meeting of the Executive Committee.
3. Request UNEP to provide progress reports pursuant to Decision 39/18 in the context of project with implementation delays and completed projects with balances to the 44th Meeting.
4. Request the Governments of Canada, France, and Germany to provide reports on the projects with implementation delays to the 44th Meeting of the Executive Committee.
5. Request UNDP to provide to the 44th Meeting of the Executive Committee a report on the level of funds returned for the cancelled project Quimica Andina foam project in Bolivia (BOL/FOA/28/INV/10) on behalf of the Government of Belgium and in the context of the balances report.

6. Monitor the following projects as projects with implementation delays and note their slow progress:
 - (a) Recovery and recycling project in Chile (CHI/REF/35/TAS/19);
 - (b) Assistance in the design of policies and regulations in St. Kitts and Nevis (STK/REF/24/TAS/04) under Canadian implementation; and
 - (c) National recovery and recycling project in Egypt (EGY/REF/29/TAS/75) under German implementation.

(iii) UNDP

Document UNEP/OzL.Pro/ExCom/43/12: contains the progress report of UNDP for activities up to 31 December 2003 and the comments and recommendations of the Fund Secretariat on the Report.

Issue to be addressed:

- Possible request for additional status reports on projects with slow progress; and
- Apparent project overrun.

Action expected from the Executive Committee: the Executive Committee may wish to:

1. Note UNDP's progress report contained in UNEP/OzL.Pro/ExCom/43/12.
2. Monitor the following projects as projects with implementation delays and note their slow progress:
 - (a) The halon bank in the Dominican Republic (DOM/HAL/38/TAS/32);
 - (b) The halon bank in Egypt (EGT/HAL/32/TAS/81);
 - (c) The halon bank in Mexico (MEX/HAL/35/TAS/104);
 - (d) The monitoring project for the RMP in Mali (MLI/REF/32/TAS/10);
 - (e) The monitoring project for the RMP in Nepal (NEP/REF/28/TAS/07);
 - (f) RMP in Viet Nam (VIE/REF/35/TAS/38 and 39);
 - (g) Harmony foam project in Nigeria (NIR/FOA/34/INV/89);
 - (h) Global Plastic Industries project in Nigeria (NIR/FOA/34/INV/91); and
 - (i) Al-Saad refrigeration project in Syria (SYR/REF/35/INV/81).

3. Note that UNDP will report to the 44th Meeting on up to 42 projects with implementation delays including 18 projects that were so classified last year.
4. UNDP had 269 projects that it had classified as completed for over one year with remaining balances totalling US \$4,108,662.
5. Reaffirm Decision 17/22 in the light of apparent project overruns included in UNDP's 2003 progress report and agree that funds returned in error may be returned to the implementing agency in line with previous practices.

(iv) UNEP

Document UNEP/OzL.Pro/ExCom/43/13: contains the progress report of UNEP for activities up to 31 December 2003 and the comments and recommendations of the Fund Secretariat on the Report.

Issues to be addressed:

- Slow implementation in 3 institutional strengthening projects; and
- Return of remaining balances for CAP activities pursuant to Decision 35/36(d).

Action expected from the Executive Committee: the Executive Committee may wish to:

1. Note UNEP's progress report contained in UNEP/OzL.Pro/ExCom/43/13.
2. Request the submission of additional status reports to the 44th Meeting including actions of UNEP and the NOU since the 43rd Meeting on the following institutional strengthening projects:
 - (a) the Fiji institutional strengthening project (FIJ/SEV/37/INS/08)
 - (b) the institutional strengthening project in the Maldives (MDV/SEV/37/INS/04)
 - (c) the Sao Tome and Principe institutional strengthening project (STP/SEV/38/INS/02)
3. Note that UNEP has 17 projects classified with implementation delays, including 5 projects that were so classified last year, and that a report on these projects should be submitted to the 44th Meeting.
4. Note that by May 2003, UNEP had 39 projects that it had classified as completed for over one year with remaining balances totalling US \$753,677.
5. Request UNEP to report to the 44th Meeting on the return of remaining balances for the 2003 European network project (EUR/SEV/39/TAS/05).

(v) UNIDO

Document UNEP/OzL.Pro/ExCom/43/14: contains the progress report of UNIDO for activities up to 31 December 2003 and the comments and recommendations of the Fund Secretariat on the Report.

Issues to be addressed:

- Differences with the Inventory of Approved Projects.

Action expected from the Executive Committee: The Executive Committee may wish to:

1. Note UNIDO's progress report contained in UNEP/OzL.Pro/ExCom/43/14.
2. Note that UNIDO will report on up to 24 projects with implementation delays including 5 projects that were so classified last year to the 44th Meeting.
3. Note that UNIDO had 42 projects that it had classified as completed for over one year with remaining balances totalling US \$1,370,167.

(vi) World Bank

Document UNEP/OzL.Pro/ExCom/43/15: contains the progress report of the World Bank for activities up to 31 December 2003 and the comments and recommendations of the Fund Secretariat on the Report.

Issues to be addressed:

- Possible request for additional status reports on projects with slow progress.

Action expected from the Executive Committee: The Executive Committee may wish to:

1. Note the World Bank's progress report contained in UNEP/OzL.Pro/ExCom/43/15.
2. Note that the World Bank will report to the 44th Meeting on a total of 49 projects with implementation delays including 39 projects that were so classified last year.
3. Monitor the following projects through an additional status report in the context of projects with implementation delays at the 44th Meeting and note their slow progress:
 - (a) Post-harvest disinfestation for cotton and citrus demonstration project in Argentina (ARG/FUM/29/DEM/93)
 - (b) Soil treatment application for tomatoes and peppers demonstration project in Chile (CHI/FUM/25/DEM/35)

- (c) The halon bank project in Argentina (ARG/HAL/26/TAS/80)
 - (d) The halon bank project in Jordan (JOR/HAL/29/TAS/53)
 - (e) The halon bank project in Oman (OMA/HAL/41/TAS/O8)
 - (f) The halon bank project in Turkey (TUR/HAL/38/TAS/80)
 - (g) The halon bank project in Thailand (THA/HAL/29/TAS/121)
 - (h) The halon phase-out project in Thailand (THA/HAL/32/INV/134)
4. Note that the World Bank had 41 projects that it had classified as completed for over one year with remaining balances totalling US \$13,005,549.

(e) Evaluation of the implementation of the 2003 business plans

Document UNEP/OzL.Pro/ExCom/43/16: presents the evaluation of the 2003 business plans of the implementing agencies and the recommendations of the Secretariat.

Issues to be addressed:

- Implementing agencies' performance against their 2003 business plan performance indicators.

Action expected from the Executive Committee: the Executive Committee may wish to note the evaluation of the implementing agencies' performance against their 2003 business plans as contained in UNEP/OzL.Pro/ExCom/43/16 and encourage implementing agencies to strive for an improved performance against the targets of their 2004 business plans.

(f) Project implementation delays

Document UNEP/OzL.Pro/ExCom/43/17: contains an assessment of progress on projects identified with implementation delays based on decisions taken at previous meetings of the Executive Committee, addresses projects for which status reports were requested, presents additional requests for project cancellations and addresses the impact of delayed and cancelled projects on compliance.

Issues to be addressed:

- LCD projects in Morocco; and
- Reports to be presented at the Meeting by UNDP for three foam projects in China and Tanzania.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

1. Noting with appreciation the reports submitted to the Secretariat on projects with implementation delays by Canada, France, Germany and the four implementing agencies as contained in the document on project implementation delays (UNEP/OzL.Pro/ExCom/43/17).
2. Requesting the Government of Japan to provide a report on the projects classified with implementation delays as a matter of urgency.
3. Noting that the Secretariat and implementing agencies would take established actions according to the Secretariat's assessment of status, i.e., progress, some progress, or no progress and report and notify governments and implementing agencies as required.
4. Adopting the milestones and deadlines indicated in the following table:

Agency	Code	Project Title	Milestone and Deadline
IBRD	ARG/SOL/28/INV/91	Conversion from MCF used as solvent to aqua based cleaning at Argelite La Rioja, SA; CIMCAM, SA; Grimoldi, SA; Heliolino SAIC; Integral Metalurgica, SA; Orbis Mertig SAIC; Trosh, SA Unisol, SA and Buffalo, S.A. in Argentina	Signature of SGAs by July 2004.
IBRD	CPR/FOA/20/INV/179	Conversion to CFC-free technology in the manufacture of flexibe (slabstock) polyurethane foam at Chengdu Plastics No. 7 in China	Installation of equipment by September 2004. (Decision 42/15)
UNEP	GLO/SEV/19/TAS/112	Training modules on management of ODS phase-out in SMEs	Project completion by 1 April 2005. (Decision 42/15)

5. The reports presented at the meeting on the following projects to determine if they warrant cancellation or other action as appropriate:

Agency	Code	Project Title	Comments
UNDP	CPR/FOA/28/INV/291	Phase-out of CFC-11 by conversion to n-pentane technology in the manufacture of rigid polyurethane insulation foam at Suzhou Purification Equipment Factory in China	[Possible noting that US \$262,738 of the US \$516,780 was approved for the project and since the equipment was delivered the 66 ODP tonne phase-out for the project should be recorded pursuant to Decision 39/13(b). The Committee may, however, also wish to note that UNDP and the Government of China will attempt to recover the equipment for use elsewhere.]
UNDP	URT/FOA/31/INV/13	Phasing out of CFC-11 in the manufacture of flexible slabstock foam by conversion to methylene chloride at Plyfoam Limited in United Republic of Tanzania	[Possible noting of the completion of these two projects along with the other projects with implementation delays that were reported completed to this Meeting.]

Agency	Code	Project Title	Comments
UNDP	URT/FOA/26/INV/11	Phaseout of CFC-11 by conversion to methylene chloride in the manufacture of flexible polyurethane foam at Pan Africa Enterprises Ltd. in United Republic of Tanzania	[Possible noting of the completion of these two projects along with the other projects with implementation delays that were reported completed to this Meeting.]

6. Noting the automatic cancellation of the following project:

- (a) Phase-out of CFCs in the manufacture of flexible foam (slabstock) at Richbond S.A. in Morocco (MOR/FOA/22/INV/08) where US \$425,316 had been disbursed out of the US \$470,625 approved for the project and 150 ODP tonnes had been assigned as phased-out pursuant to Decision 39/13(b) and the reason for cancellation was non-achievement of the agreed milestone.
- (b) Phase-out of CFCs in the manufacture of flexible foam (slabstock) at Salidor S.A. in Morocco (MOR/FOA/23/INV/13) where US \$296,775 had been disbursed out of the US \$299,000 approved for the project and 48 ODP tonnes had been assigned as phased-out pursuant to Decision 39/13(b) and the reason for cancellation was non-achievement of the agreed milestone.
- (c) Phase out of CFCs in the manufacture of flexible foam (slabstock) at Mousse d'Or S.A in Morocco (MOR/FOA/23/INV/19) where US \$280,350 had been disbursed out of the US \$280,350 approved for the project and 45 ODP tonnes had been assigned as phased-out pursuant to Decision 39/13(b) and the reason for cancellation was non-achievement of the agreed milestone.
- (d) Conversion to LCD technology in the manufacture of flexible foam (slabstock) to replace CFC-11 at Bonbino Confort in Morocco (MOR/FOA/25/INV/22) where US \$485,483 had been disbursed out of the US \$490,200 approved for the project and 90 ODP tonnes had been assigned as phased-out pursuant to Decision 39/13(b).
- (g) **Report on implementation of approved projects with specific reporting requirements**

Document UNEP/OzL.Pro/ExCom/43/18: contains a progress report on the implementation of the demonstration and phase-out project for methyl bromide in soil fumigation in Chile.

Issue to be addressed:

- The increase in consumption in methyl bromide in Chile and the negative impact of the approval of exemptions for methyl bromide for critical uses on stakeholders in Chile; and
- The positive result achieved with the alternative technologies and the confidence of the Government to comply with the Montreal Protocol obligations and the agreed conditions of the project.

Action expected from the Executive Committee: the Committee may wish to consider the progress report on the implementation of the demonstration and phase-out project for methyl bromide soil fumigation for fruit tree production and replant in Chile in light of the comments contained in the document.

(h) Report on implementation of Decision 42/49 in the context of Decision Ex.I/2

Document UNEP/OzL.Pro/ExCom/43/19: the document contains the report of the Secretariat in following up Decision 42/49. It includes a presentation of the status of methyl bromide projects, including a section on compliance which the Executive Committee may find useful as additional background information; and comments received from members of the Executive Committee in response to Decision 42/49. The document also contains an annex with all the available data on methyl bromide projects

Issue to be addressed: none.

Action expected from the Executive Committee: the Committee may wish to consider the need to establish a contact group to consider the paper prepared by the Secretariat and any submission by the members of the Executive Committee.

7. Project proposals

(a) Overview of issues identified during project review

Document UNEP/OzL.Pro/ExCom/43/20: provides statistics on submissions received and contains the list of all projects and activities recommended for blanket approval (Annex I) and the list of project for individual consideration (Annex II). There are no policy issues arising from project review.

Issues to be addressed:

- Approval of projects and activities in the blanket approval list.

Action expected from the Executive Committee: the Committee may wish to approve the projects recommended for blanket approval.

(b) Bilateral co-operation

Document UNEP/OzL.Pro/ExCom/43/21: contains 14 projects and activities submitted for approval by Governments as bilateral cooperation. 3 were included in the blanket approval list considered in Agenda Item 7 (a) above and 10 projects and activities will be considered in Agenda Item 7 (d), investment projects. One project submitted by the Government of Germany is for individual consideration.

Issue to be addressed:

- Whether to approve funding for a study on management of HCFCs in China.

Action expected from the Executive Committee: the Committee may wish to consider approval of the project in the light of the Committee's deliberations on the related policy paper in Agenda item 11 prepared by Germany and submitted by the Government of the United Kingdom.

(c) Amendments to work programmes for 2004

(i) UNEP

Document UNEP/OzL.Pro/ExCom/43/22: contains 27 activities submitted by UNEP, including 14 requests for new or renewed institutional strengthening projects. 15 of the activities were recommended for blanket approval and were considered in Agenda 7(a). Ten activities associated with refrigerant management plans will be considered in Agenda Item 7(d), investment projects. Two proposals for renewal of institutional strengthening projects are for individual consideration.

Issues to be addressed:

- Consideration of Phase III of the institutional strengthening project for Cote D'Ivoire. Cote D'Ivoire has not reported 2003 data to the Fund Secretariat and is in potential non-compliance with the Montreal Protocol. If 2003 data is reported before the Executive Committee considers the project and if the data reported resolves the non-compliance issue, the project could be approved as submitted. Otherwise in cases of non-compliance the Committee has previously approved institutional strengthening for one year only.
- Consideration of Phase V of the institutional strengthening project for Guatemala. Guatemala appears to be in non-compliance with the Montreal Protocol and with its agreement with the Executive Committee on methyl bromide phase-out. In other cases of non-compliance the Committee has previously approved institutional strengthening for one year only.

Action expected from the Executive Committee: the Committee may wish to:

1. If satisfactory 2003 data has been reported, approved the institutional strengthening renewal for Cote D'Ivoire for two years as submitted. Otherwise, approved the project for one year only. In each case the Committee might express to the Government the views contained in Annex II to document UNEP/OzL.Pro/ExCom/43/22.
2. Approve the institutional strengthening renewal for Guatemala for one year only and express to the Government the views contained in Annex II to document UNEP/OzL.Pro/ExCom/43/22.

(ii) UNDP

Document UNEP/OzL.Pro/ExCom/43/23: contains seven activities submitted by UNDP, including five requests for renewal of institutional strengthening projects. All the proposals were recommended for blanket approval and have therefore been considered in Agenda 7 (a).

Issues to be addressed: none.

Action expected from the Executive Committee: Nil.

(iii) UNIDO

Document UNEP/OzL.Pro/ExCom/43/24: contains four activities submitted by UNIDO including one request for renewal of an institutional strengthening project. All four activities were recommended for blanket approval and have been considered in Agenda 7 (a).

Issues to be addressed: none.

Action expected from the Executive Committee: Nil.

(iv) World Bank

Document UNEP/OzL.Pro/ExCom/43/25: contains one project preparation activity submitted by the World Bank. The activity was recommended for blanket approval and has been considered in Agenda 7 (a).

Issues to be addressed: none.

Action expected from the Executive Committee: Nil.

(d) Investment projects

Document UNEP/OzL.Pro/ExCom/43/20: contains in Annex II a list of 10 projects for individual consideration. All other investment projects, both on-going and new activities, were recommended for blanket approval and were considered in Agenda Item 7(a).

Issues to be addressed:

- In the Annex II table (reproduced on the next page): each of the 10 projects should be considered for approval individually. Project descriptions and the comments of the Secretariat can be found in the relevant country project document referred to in the table (*if required, the Secretariat will outline the issue or issues involved*).

Country	Project title	Agency	Document Reference
Argentina	CFC production closure plan: 2003 and 2004 work programmes	World Bank	UNEP/OzL.Pro/ExCom/43/26
China	Sector Plan for phase-out of ODS in chemical process agent applications and carbon tetrachloride production: 2004 annual programme	World Bank	UNEP/OzL.Pro/ExCom/43/30
Costa Rica	Total methyl bromide phase-out used as a fumigant in melons, cut flowers, bananas, tobacco seedbeds and nurseries, excluding QPS applications (tranches II and III)	UNDP	UNEP/OzL.Pro/ExCom/43/31
Cuba	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	Germany, Canada, France, UNDP	UNEP/OzL.Pro/ExCom/43/33
Lebanon	Phase-out of methyl bromide for soil fumigation in strawberry production (request for change of technology)	UNIDO	UNEP/OzL.Pro/ExCom/43/36
Malaysia	Technical assistance programme to install alternatives and phase-out all remaining non-QPS uses of methyl bromide	UNDP	UNEP/OzL.Pro/ExCom/43/37
Malawi	Phase-out of all non-essential and non-QPS methyl bromide (fourth tranche)	UNDP	UNEP/OzL.Pro/ExCom/43/38
Nigeria	Terminal ODS phase out umbrella project in the solvent sector (first tranche)	UNIDO	UNEP/OzL.Pro/ExCom/43/40
Serbia and Montenegro	National CFC phase-out plan (first tranche)	UNIDO, Sweden	UNEP/OzL.Pro/ExCom/43/42
Uruguay	Phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs)	UNDP	UNEP/OzL.Pro/ExCom/43/44

Action expected from the Executive Committee: the Committee may wish to consider approving each of the 10 projects listed in the table on the basis of: the information provided in the relevant project proposal document including the Secretariat's comments; any additional documents circulated in accordance with Decision 41/80; and, any additional information provided at the meeting by the Secretariat or the relevant implementing agency.

8. Country programmes

Documents UNEP/OzL.Pro/ExCom/43/46, UNEP/OzL.Pro/ExCom/43/47, and UNEP/OzL.Pro/ExCom/43/48: contain, respectively, the country programme of Guinea-Bissau, and updates for Lebanon and Romania.

Issues to be addressed:

- Guinea-Bissau has not as of 15th Meeting of the Parties reported completed data for the establishment of baselines for Annexes A, B, and C to the Montreal Protocol;

- For Lebanon, the consumption of CFCs is reportedly higher than the two options defined by Decision 35/57. The 2002 methyl bromide consumption reported by Lebanon is higher than the baseline of the country; and
- Romania will need additional phase out activities in order to achieve the 2005 compliance targets for CFC consumption and methyl bromide production.

Action expected from the Executive Committee: the Committee may wish to:

1. Approve the country programme of Guinea-Bissau and the updates of Lebanon and Romania, noting that approvals of the country programme and the updates do not denote approvals of the projects identified therein or their funding levels.
 2. Request the Government of Guinea-Bissau to report to the Executive Committee on the progress made in implementation of the country programme annually, and the first report should be submitted to the Secretariat no later than 1 May 2005.
 3. Consider establishing the level of the remaining CFC consumption eligible for funding at 312.5 ODP tonnes under Option 2 for Lebanon (an increase of 88 ODP tonnes) to address the previously unsurveyed consumption in the southern Lebanon and the West Berkka region
- 9. Potential implications of subsequently increasing the amounts approved for institutional strengthening projects (Decision 42/22 (b))**

Document UNEP/OzL.Pro/ExCom/43/49:

Issues to be addressed:

- Whether the ability of very low volume consuming countries (VLVCs) to meet their compliance commitments is compromised by the level of funding approved for their institutional strengthening projects and the potential implications of increasing the amounts.
- The policy paper is being finalized.

Action expected from the Executive Committee: the Committee may wish to consider the conclusions of the paper, when it is finalised.

10. Criteria for the assessment of the progress reports and verification audits of multi-year agreements (Decision 41/15)

Document UNEP/OzL.Pro/ExCom/43/50: contains proposed criteria for the assessment of the progress reports and verification audits of multi-year agreements, submitted by the Secretariat in response to Decision 41/15.

Issues to be addressed:

- Adequacy and appropriateness of the criteria being proposed;

- Degree to which industry data should be used to collaborate data on imports and exports; and
- Level of reporting to be expected from RMPs of LVCs and financial implications of such reporting.

Action expected from the Executive Committee: the Executive Committee may wish to consider adopting the criteria as guidance for future verification of multi-year agreements.

11. Responsibility of the Multilateral Fund and potential eligibility requirements for a study on funding HCFC (Decision 42/7 (b))

Document UNEP/OzL.Pro/ExCom/43/51: contains a paper submitted by the Government of Germany through the delegation of the United Kingdom on the responsibility of the Multilateral Fund and potential eligibility requirements for study on the management of HCFCs. The submission includes in Annex I the main characteristics of the project proposal “Development of a suitable strategy for the long term management of HCFC-22 as well as other HCFCs in China”; Annex II contains views expressed by delegations on the eligibility of funding and other aspects; and Annex III responses to views of delegations and the Multilateral Fund Secretariat expressed on the eligibility of funding and other aspects.

Issues to be addressed:

- Eligibility of funding of the China HCFC management study by the Multilateral Fund, and any implications.

Action expected from the Executive Committee: the Executive Committee may wish to consider the draft paper and take its appropriate actions.

12. Accounts of the Multilateral Fund:

(a) Reconciliation of the 2002 accounts (follow-up to Decision 42/41)

Documents UNEP/OzL.Pro/ExCom/43/52: addresses the issues pending from the 42nd Meeting of the Executive Committee of the reconciliation of 2002 accounts of the Multilateral Fund (Decision 42/41).

Issues to be addressed:

- Adjustments for UNDP’s initial start-up cost;
- Submission of World Bank’s audited 2002 accounts; and
- Excess income held by the World Bank.

Action expected from the Executive Committee: the Executive Committee may wish to:

1. Note the reconciliation of 2002 accounts as presented in UNEP/OzL.Pro/ExCom/43/52.

2. Note that the Treasurer would make the appropriate adjustments to account for the additional interest reported by UNDP and the audited level of initial start-up costs as indicated by UNDP to be US \$596,500.
3. Request bilateral agencies that advance funds to implementing agencies that are placed in interest bearing accounts, to return the interest collected as additional income to the Multilateral Fund.
4. Offset the US \$21,290,851 in excess income held by the World Bank based on its provisional account, pending the submission of the World Bank's audited 2002 accounts against approvals at the current meeting.

(b) 2003 accounts

Document UNEP/OzL.Pro/ExCom/43/53: This document summarises the audited accounts of the Fund for the years 1991-2002 and the provisional accounts for the year 2003.

Issues to be addressed:

- Late submission of audited accounts of the Fund from implementing agencies.

Action expected from the Executive Committee: the Executive Committee may wish to note the report contained in UNEP/OzL.Pro/ExCom/43/53.

13. Treatment/encashment of promissory notes (follow-up to Decisions 41/4 and 42/44)

Document UNEP/OzL.Pro/ExCom/43/54: contains the report from the Treasurer on the treatment/encashment of promissory notes, in response to Decision 41/4 and 42/44. The report also informs that the Treasurer is collecting data on rules and systems for the transparent and equitable encashment of promissory notes used in other fora. It is hoped the study will be completed before the 43rd Meeting.

Issues to be addressed:

- The adequacy and completeness of the study in light of the Decisions of the Executive Committee.

Action expected from the Executive Committee: the Executive Committee may wish to take note of the report from the Treasurer and provide additional instructions on any further work that should be done by the Treasurer, if necessary.

14. Unified budgets for the Compliance Assistance Programme (CAP) (follow-up to Decision 41/39)

Document UNEP/OzL.Pro/ExCom/43/55: provides the response from the Executive Director of UNEP in response to Decision 41/39 on preparing unified budgets for the compliance assistance programme.

Issues to be addressed:

- Administrative action that would be required to enable the administrative and programme support costs of UNEP to be included in the unified budgets along with the costs for programme activities.

Action expected from the Executive Committee: the Executive Committee may wish to provide clarification as to how it wishes to proceed in the light of the advice from UNEP.

15. Report on programme support costs of bilateral cooperation projects (Decision 42/45 (c))

Document UNEP/OzL.Pro/ExCom/43/56: contains a brief report on the follow-up by the Secretariat to Decision 42/45 (c).

Issues to be addressed: none

Action expected from the Executive Committee: the Executive Committee may wish to consider any changes to the current administrative cost regime for bilateral agencies.

16. Rights and obligations of bilateral agencies under the Montreal Protocol and its Multilateral Fund (Decision 42/45 (e))

No document was required for this agenda item.

17. Export and import licensing systems: an update (Decision 41/79)

Document UNEP/OzL.Pro/ExCom/43/57: provides an update on the establishment of export and import licensing systems by Article 5 countries. Part of the information in the report was obtained from the Ozone Secretariat.

Issues to be addressed: none

Action expected from the Executive Committee: the Executive Committee may wish to take note of the report.

18. Monitoring of trade in ozone-depleting substances and preventing illegal trade in ozone-depleting substances (Decision XIV/7)

Document UNEP/OzL.Pro/ExCom/43/58: contains the proposed draft report of the Executive Committee to the 16th Meeting of the Parties in response to Decision XIV/7. It includes a report by UNEP on activities of the UNEP regional networks with regard to means of combating illegal trade and a report from the Secretariat on the evaluation of projects on customs officers training and licensing systems.

Issues to be addressed:

- Adequacy of the report in light of Decision XIV/7.

Action expected from the Executive Committee: the Executive Committee may wish to advise on any revisions needed to the draft report to enable it to be submitted to the 16th Meeting of the Parties, and authorize the Secretariat to submit a report to the Ozone Secretariat once it has been revised according to the Committee's instructions.

19. Terms of reference of the Executive Committee (follow-up to Decision 42/48)

A document is being finalized.

20. Report of the Executive Committee's Subgroup on Production Sector

The report will be submitted to the Executive Committee after the Subgroup meets during the 43rd Meeting.
