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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-sixth Meeting
Montreal, 4-8 July 2005

PROGRESS REPORT OF BILATERAL COOPERATION AS AT 31 DECEMBER 2004

This document includes:

- The Comments and Recommendations of the Fund Secretariat
- The Bilateral Progress Reports of Australia, Canada, Finland, France, Germany, Italy, Japan, Spain, Sweden and Switzerland (January - December 2004)

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.

COMMENTS AND RECOMMENDATIONS OF THE FUND SECRETARIAT

Comments

1. The following countries involved in bilateral cooperation activities submitted progress reports (see Annexes I-VII): Australia, Canada, Finland, France, Germany, Italy, Japan (database only), Spain (database only), Sweden and Switzerland (database only). Bilateral agencies also provided data in the progress report database. Instead of providing database information and narrative, UNEP submitted a combined progress report on the project implemented by Czech Republic, Hungary and Slovak Republic to the Secretariat at the 45th Meeting (attached as Annex VIII). Bilateral database information is provided in the Consolidated Progress Report that is available on the Fund Secretariat's web site (www.multilateralfund.org) and Intranet in the spreadsheet programme, Microsoft Excel XP.

2. Progress reports have not been received from United Kingdom and United States of America. Data from their previous progress reports or inventory of approved projects are included in the summary table. The Executive Committee may wish to request progress reports from these countries to be submitted to the 47th Meeting in light of the fact that the progress report of bilateral agencies is the only financial indication of whether or not all of the approved funds were disbursed or if funds should be returned plus interest, where applicable.

3. Additional data from previous progress reports for other countries previously involved in bilateral cooperation is also included in the database (including data for the projects already reported completed by Austria, Belgium, Denmark, Israel, Poland, Singapore and South Africa). These data are included in the Consolidated Progress Report (UNEP/OzL.Pro/ExCom/46/10).

4. Table 1 presents a summary of bilateral cooperation. Over US \$81.4 million has been approved for bilateral activities. The table indicates that 67 per cent of bilateral activities have been completed. Although most bilateral projects are non-investment projects, bilateral agencies estimate that their projects will result in the total annual phase-out of 5,037 ODP tonnes once completed. Completed bilateral projects have resulted in the phase-out of 1,258 ODP tonnes. The rate of disbursement on bilateral activities is 61 per cent.

Table 1

ANNUAL SUMMARY OF BILATERAL COOPERATION

Year Approved	Number of Approvals *	Number Completed	Per Cent Completed	ODP to be Phased Out*	ODP Phased Out*	Per Cent of ODP Phased Out	Approved Funding plus Adjustment (US\$)	Funds Disbursed (US\$)	Per Cent of Funds Disbursed	Balance (US\$)	Estimated Disbursement in Current Year (US\$)	Support Costs Approved (US\$)	Support Cost Adjustments (US\$)
1991	0	0	0%	0	0	0%	0	0	0%	0	0	0	0
1992	18	18	100%	0	0	0%	2,883,669	2,883,669	100%	0	0	0	0
1993	10	10	100%	0	0	0%	1,445,586	1,445,586	100%	0	0	0	0
1994	30	30	100%	229	243	106%	3,205,458	3,190,374	100%	15,084	0	0	0
1995	17	17	100%	234	296	127%	4,698,849	4,654,902	99%	43,947	0	0	0
1996	26	26	100%	218	43	20%	3,512,121	3,422,782	97%	89,339	0	0	0
1997	32	30	94%	154	19	12%	4,239,759	3,338,846	79%	900,913	450,000	0	1,500

Year Approved	Number of Approvals*	Number Completed	Per Cent Completed	ODP to be Phased Out*	ODP Phased Out*	Per Cent of ODP Phased Out	Approved Funding plus Adjustment (US\$)	Funds Disbursed (US\$)	Per Cent of Funds Disbursed	Balance (US\$)	Estimated Disbursement in Current Year (US\$)	Support Costs Approved (US\$)	Support Cost Adjustments (US\$)
1998	40	33	83%	66	21	32%	4,485,911	4,053,664	90%	432,247	292,840	0	0
1999	61	47	77%	586	210	36%	12,966,650	10,224,400	79%	2,742,250	1,422,022	1,030,434	0
2000	29	22	76%	943	94	10%	4,837,561	4,571,576	95%	265,985	255,263	543,836	0
2001	41	24	59%	1,093	164	15%	7,745,351	5,723,897	74%	2,021,454	1,277,384	896,577	-11,754
2002	64	25	39%	525	85	16%	9,075,117	4,174,107	46%	4,901,010	3,199,902	917,984	106,077
2003	32	7	22%	268	82	31%	6,927,400	1,781,349	26%	5,146,051	4,166,783	743,181	58,605
2004	34	0	0%	721	0	0%	15,443,378	570,015	4%	14,873,363	4,654,753	1,599,058	0
Total	434	289	67%	5,037	1,258	25%	81,466,810	50,035,168	61%	31,431,642	15,718,948	5,731,070	154,428

*Excludes Closed and Transferred Projects

Includes Project Preparation

Implementation delays

5. There are 13 bilateral cooperation projects with implementation delays, after taking into consideration any projects removed from the list per Executive Committee decision. According to the procedures for project cancellation (Decision 26/2), a report on these projects should be provided to the 47th Meeting to determine if there is any progress toward removing the impediments causing the implementation delays. Table 2 presents, by bilateral agency, those projects with implementation delays for which an updated report will be required for the 47th Meeting.

Table 2

PROJECTS WITH IMPLEMENTATION DELAYS

Code	Agency	Project Title	Category of Delays
LEB/REF/28/TAS/29	France	Remaining issues for a RMP and preparation of strategy and projects for reduction of CFC emissions in centrifugal chillers	12 months delays
MOR/FUM/29/INV/37	France	Phase-out of methyl bromide use in the cut flower and banana production	18 months delays
MOR/REF/32/TAS/42	France	Technical assistance for cold storage equipment (training and demonstration project)	12 and 18 months delays
SYR/REF/29/INV/48	France	Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sarkisian Refrigerators	12 months delays
SYR/REF/29/INV/53	France	Conversion from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Shoukairi and Co.	12 months delays
SYR/REF/29/INV/54	France	Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Bashar Refrigerators	12 months delays
SYR/REF/29/INV/56	France	CFC emission reduction in central air conditioning	12 months delays
IRA/FOA/37/INV/152	Germany	Conversion from CFC-11 to fully water-based technology in the manufacture of flexible molded PU foam at Sanayeh Dashboard Iran	12 months delays
YUG/REF/34/INV/13	Italy	Replacement of CFC-11 with cyclopentane foam blowing agent and CFC-12 with HFC-134a refrigerant in the manufacture of domestic refrigerators and freezers at Obod Elektroindustrija	12 months delays

Code	Agency	Project Title	Category of Delays
ASP/SEV/38/TAS/49	Japan	Assistance for the implementation of strategic planning of the Multilateral Fund to promote compliance with the Montreal Protocol in the Asia and Pacific region (phase 2)	12 months delays
IDS/FOA/37/INV/145	Japan	Phase-out of CFC-11 by conversion to HCFC-14 b in the manufacture of rigid polyurethane foam for insulating purpose at Aneka Citra Refrigeratama Co.	18 months delays
NIR/SEV/38/TAS/104	Japan	Assistance for a national information, education and communication campaign for compliance with the Montreal Protocol	12 and 18 months delays
ASP/SEV/34/TAS/42	Sweden	Regional cooperation for monitoring and control of ODS consumption	12 months delays

Highlights from bilateral activities

6. 57 out of the 145 ongoing bilateral projects concern refrigerant management plans or their components. 38 projects are investment projects, followed by 24 technical assistance activities, 11 halon banking projects, 4 project preparation activities, 4 recovery and recycling activities, 3 training activities, two institutional strengthening activities, one demonstration activity, and one country programme project.

Australia

7. Annex I contains Australia's progress report narrative. Australia is currently implementing 17 projects, 16 of which are Australia's contribution to the Pacific Island Countries Regional Strategy approved by the Executive Committee in January 2002. Australia's component of these projects includes training of refrigeration technicians and customs officers and assistance for enforcing ODS regulations.

Activities that are not subject to ongoing monitoring or cancellation

8. Australia is implementing the project to provide training of customs officers and enforcement assistance in Vanuatu (VAN/REF/36/TAS/02) as part of the Pacific Island Countries Regional Strategy. Australia indicated that there had been little progress in establishing legislation. Australia also noted that this project had not progressed as far as those for the other countries in the Pacific Island Country strategy. It indicated that SPREP was attempting to move the project forward. In the light of this report on slow implementation, the Executive Committee may wish to consider requesting an additional status report on the implementation of this project at its 47th Meeting.

9. The remaining Australian project under implementation is the national halon management and banking programme in India (IND/HAL/32/TAS/281) that had been approved in December 2000 and is being jointly implemented with the Government of Canada. Australia noted that a UNEP/DTIE web site indicated that "while the country no longer produces halons, it does import the gas for its critical uses." The Executive Committee included a condition in the approval of the project, namely, that the disbursement would not take place until a commitment had been given by the Government of India that regulations facilitating the ban on the production and import of new halon would be established within six months after the reclamation centre had been set up. Australia informed that the head of the Ozone Cell undertook this condition on behalf of the Indian Government in October 2001 and the funds were then released. Australia

has made further representations to the Indian Ozone Cell regarding the status of the regulations. Although Australia expects to complete the final project elements in the next four to six months, it was not clear if the regulations would be in place by that time. The Executive Committee may wish to request a status report on this project at its 47th Meeting.

Canada

10. Annex II contains Canada's progress report narrative. Canada is implementing 19 bilateral projects, most of which are associated with RMPs. It has completed 42 additional projects and cancelled one. Ongoing Canadian bilateral projects are expected to result in the phase out of 328.9 ODP tonnes when completed. Canada is implementing RMPs in Benin, Bolivia, Chile, Saint Kitts and Nevis and Saint Lucia. Canada is also implementing halon banking projects in India (with Australia) and in the Caribbean, methyl bromide demonstration project in Kenya, a CFC phase-out plan in Jamaica, an ODS phase-out plan in Cuba, a methyl bromide technical assistance project in Mexico, a training project in Colombia and a project preparation in the fumigant sector for Jamaica.

11. Canada's RMP activities in Benin, Bolivia, Chile, and Saint Kitts and Nevis have been delayed. Some of these activities are expected to be completed in 2005.

12. Regarding the Recovery and recycling project in Bolivia (BOL/REF/39/TAS/23), this has a condition included in the approval requiring ODS regulations to be in place and the prices for CFCs and non-ODS refrigerants should be similar. Canada noted in its 2003 progress report that Bolivia had enacted legislation for a quota system in March 2004. Canada informs that the recovery and recycling equipment was shipped to Bolivia in April 2005 and ODS import controls are in place. Canada also indicated that the NOU reported that CFC-12 imports had decreased by 30 per cent in 2004, while prices have increased by approximately 80 per cent.

13. The Recovery and recycling project in Chile (CHI/REF/35/TAS/147) also had the same conditions of approval as the project in Bolivia. Canada indicated that the project is to begin in the middle of 2005 when the legislation is expected to be adopted. Thus far, Canada had disbursed funds to design the recovery and recycling plan and identify equipment options. Canada also stated that as there were no controls yet on ODS imports, prices of non-ODS alternative refrigerants and CFCs were not yet similar, although it was expected that CFC prices would rise following adoption of the legislation.

Finland

14. Annex III contains Finland's progress report narrative. Finland is implementing three bilateral projects, and has completed two. Ongoing projects are expected to result in the phase out of 12.8 ODP tonnes when completed. Finland is implementing RMPs in Nicaragua and Panama that are expected to be completed in 2005.

France

15. Annex IV contains France's progress report narrative. France is implementing 28 bilateral projects, in addition to 54 completed projects and one cancelled project. Nine of France's ongoing projects are investment projects including: three phase out plan projects in India, Iran and Kenya, five refrigeration projects in Cote D'Ivoire and Syria, and one methyl bromide investment project in Morocco. France is implementing RMPs in the Central African Republic, Cote D'Ivoire, Ethiopia, Lao DPR, Mozambique and Uganda. France is also implementing halon banking in Iran, ODS phase-out technical assistance project in Cuba, recovery and recycling projects in Lebanon and Morocco, and three technical assistance projects. France has ongoing projects that should result in the phase out of 302.7 tonnes when completed.

Projects with implementation delays

16. Seven French bilateral projects are classified as projects with implementation delays, namely the remaining issues on a RMP in Lebanon (LEB/REF/28/TAS/29), the phase-out of methyl bromide project in Morocco (MOR/FUM/29/INV/37), technical assistance for cold storage equipment in Morocco (MOR/REF/32/TAS/42), and four refrigeration projects in Syria (SYR/REF/29/INV/48, SYR/REF/29/INV/53, SYR/REF/29/INV/54 and SYR/REF/29/INV/56).

Multi-year agreements

17. France is implementing four multi-year agreements in Cuba, India, Iran and Kenya.

Germany

18. Annex V contains Germany's progress report narrative. Germany is implementing 49 bilateral projects, and has completed 93. 17 out of Germany's 49 ongoing projects are investment projects including: 3 foam projects, a CTC phase-out plan and 2 refrigeration projects in India, a methyl bromide investment project in Jordan, two methyl bromide projects and a solvent project in Kenya, and a CFC or ODS phase out plan project in Brazil, India, Lesotho, Mauritius, Namibia, Papua New Guinea and Zimbabwe. Germany has ongoing projects that should result in the phase out of 1,125.7 ODP tonnes when completed.

19. Germany is implementing RMP activities in Angola, Botswana, Egypt, Gambia, Liberia, Malawi, Seychelles, Swaziland, Syria and Zambia. The implementation of Germany's RMP activities is delayed in general between 3 to 4.5 years.

20. Germany has US \$57,000 in project preparation funds available to it to prepare activities in the following countries: Algeria (phase-out sector), and Tanzania (refrigeration). Project preparations have been delayed for about two years.

Projects with implementation delays

21. One German bilateral project is classified as a project with implementation delays namely foam project in Iran (IRA/FOA/37/INV/152).

Multi-year agreements

22. Germany is implementing ten multi-year agreements covering Brazil, Cuba, India (2), Iran, Kenya, Lesotho, Mauritius, Namibia and Papua New Guinea.

Conditions of approval

23. Germany is implementing the RMP in Angola (ANG/REF/39/TAS/04). Germany reported that a national legal expert is presently working on the draft regulations based on examples from other Portuguese speaking countries i.e. Portugal, Mozambique and Brazil. As per the approval condition, the incentive programme for end users has not been initiated until the regulations are approved. It is hoped that the regulations would be approved before the end 2005.

Halon banking projects

24. Germany is implementing several halon banking projects. Two of those projects were specifically mentioned in a decision based on the halon sector evaluation that was considered at the 44th Meeting. Other halon banking projects, some of which seem to be operational, have not reported any quantities of halon recovered, recycled or reclaimed.

25. Decision 44/8(e) requested the Government of Germany, in cooperation with the countries concerned, to update the plan for the regional halon projects in West Asia and Eastern and Southern Africa within the frameworks of the funding approved. The update would take into account recovery and recycling facilities in the countries and regions in order to realize full phase-out of virgin halon consumption while assuring the supply of recycled halons from either national or regional recovery and recycling centers, and to report upon the plan's preparation and implementation in the progress report covering the year 2004.

Eastern and Southern African halon banks

26. Germany is implementing the regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, Tanzania and Zimbabwe) (AFR/HAL/35/TAS/29). The Fund Secretariat asked for a copy of the draft plan, and Germany indicated that the draft plan was still under discussion with the concerned countries. The Fund Secretariat had reminded Germany of this decision in advance of the due date of the progress report and was hoping that the regional meeting in Angola would have provided the opportunity to obtain a resolution to the Executive Committee's request.

27. Concerning the project in Eastern and Southern Africa, during the halon evaluation mission in May 2004, it was discovered that the equipment was housed in a shipping container and was still packed. Germany indicates that the equipment is still in the container as of May 2005. In 2004, Germany advised that it had conducted a national survey and workshop in Lesotho and Zimbabwe; established databases for Kenya and Tanzania; established new contracts for legislation and purchase authorizations; conducted promotion of halon banks in host

countries. Steering committee meetings were held in May 2004 in Maputo and September 2004 in Brazzaville. It also stated that project activities included the halon evaluation, comments on the report and dry ice research as project activities.

West Asia halon bank

28. Germany is also implementing the regional halon banking project in West Asian countries: Bahrain, Lebanon, Qatar and Yemen (ASP/HAL/30/TAS/360). Germany has reported a balance of US\$ 7,450 remaining in the project. At the West Asia meeting, Germany pointed out two options, one for a cost of US \$709,300 and the other for a cost of US\$ 2.6 million. Germany indicated that these options were not intended to address the mandate to devise a strategy based on remaining funds as requested by the Executive Committee. Germany has suggested additional dialogue prior to the 46th Meeting to explore ways of moving the project forward. The Executive Committee may wish to hear a report on this project at its 46th Meeting.

Halon banking Algeria, Nigeria and Syria

29. Germany indicated that equipment had been installed by 5 August 2004 for the halon bank in Algeria (ALG/HAL/35/TAS/51) and the bank was operational. However, Germany did not provide any data on the amounts recovered, recycled or reclaimed because Germany indicated that it had agreed to operate the equipment for one year before data should be reported.

30. Similarly, Germany confirmed that the halon bank in Nigeria (NIR/HAL/37/TAS/103) had been operational since 4 September 2004, but that it expected confirmed data during 2005 within the year from the start of operations. Germany also indicated that first quantities of halon had been recycled in addition to the testing of the equipment in September 2004 and recycling contracts had been signed early in 2005.

31. Germany reported that the halon bank in Syria (SYR/HAL/34/TAS/77) was operational and recycling halon, but no data had been reported on the amounts recovered, recycled or reclaimed. Germany indicated that it would conduct a monitoring mission to determine these amounts as part of its project completion report.

32. The Executive Committee may wish to request additional status reports on the implementation of halon banking projects under the German bilateral programme along with data on the volume of halon recovered, recycled and reclaimed requesting Germany not to withhold such data for any further project implemented with Multilateral Fund resources.

Italy

33. Annex VI contains Italy's progress report narrative. Italy is implementing 7 investment projects that will phase out 440 ODP tonnes when implemented. Italy has completed 4 foam projects in 2004. The remaining three projects are ongoing including two refrigeration projects in China and Serbia and Montenegro, and a methyl bromide project in Romania. These projects are expected to be completed in 2005.

Projects with implementation delays

34. One Italian bilateral project is classified as a project with implementation delays, namely, the refrigeration project in Serbia and Montenegro (YUG/REF/34/INV/13).

Japan

35. Japan is implementing eleven bilateral projects, and has completed 10. Four of Japan's ongoing projects are investment projects including: two foam projects in Indonesia, a CTC phase out plan project in India, and a refrigeration project in China. Japan has ongoing projects that should result in the phase out of 584.6 ODP tonnes when completed.

Projects with implementation delays

36. Three Japanese bilateral projects are classified as projects with implementation delays, namely, a technical assistance project in Asia and the Pacific region (ASP/SEV/38/TAS/49), a foam project in Indonesia (IDS/FOA/37/INV/145) and a technical assistance project in Nigeria (NIR/SEV/38/TAS/104).

Multi-year agreements

37. Japan is implementing two multi-year agreements in China and India.

Spain

38. Spain is implementing one technical assistance project in Mexico that will phase out 107.2 ODP tonnes when implemented. Spain will complete this project in 2006.

Sweden

39. Annex VII contains Sweden's progress report narrative. Sweden is implementing ten projects, and has completed five. The ongoing projects include: a project on monitoring ODS consumption in Asia, two tranches of the TPMP for Croatia, the development of a licensing system in Laos, two tranches of the national CFC phase-out project in the Philippines with the World Bank, a halon bank project in Thailand with the World Bank, a national phase-out plan project in Serbia and Montenegro with UNIDO, a development of a handbook project in the global region, and a project preparation for national CFC phase-out plan in Romania.

Projects with implementation delays

40. One Swedish bilateral project is classified as a project with implementation delays, namely, the regional cooperation for monitoring and control of ODS consumption in Asia and the Pacific (ASP/SEV/34/TAS/42).

Multi-year agreement

41. Sweden is implementing three multi-year agreements in Croatia, Philippines and Serbia and Montenegro.

Switzerland

42. Switzerland is implementing two investment projects in addition to four completed projects. Switzerland will complete these projects in 2005 and 2006.

Multi-year agreements

43. Switzerland is implementing one multi-year agreement in India that was approved in 2004.

Hungary, Czech Republic and Slovak Republic

44. Annex VIII contains a progress report on the implementation of the bilateral projects of the Czech Republic, Hungary and the Slovak Republic for the Regional Ozone Network for Europe and Central Asia. The report describes the establishment of the network, the first meeting of the network, a meeting of the contact group on exchanging information, and a workshop on the implementation of RMPs. An electronic discussion group was formed and continues to be operational. Funds from the bilateral projects were used to hire temporary staff to support the operation of the network. The report indicates that a total of US \$10,000 would be returned to the Fund, but the report did not specify which country or countries would return these funds.

RECOMMENDATION

The Executive Committee may wish to:

1. Note with appreciation the progress reports submitted by the Governments of Australia, Canada, Czech Republic, Finland, France, Germany, Hungary, Italy, Japan, Slovak Republic, Spain, Sweden and Switzerland.
2. Request the Governments of United Kingdom and United States of America to provide their progress reports to the 47th Meeting of the Executive Committee.
3. Request the Governments of France, Germany, Italy, Japan and Sweden to provide reports on the projects with implementation delays to the 47th Meeting of the Executive Committee.
4. Monitor the following projects as projects with implementation delays and note their slow progress:
 - (a) The Halon banking project in India under Australian (IND/HAL/32/TAS/281) and

Canadian (IND/HAL/32/TAS/278);

- (b) Regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, Tanzania and Zimbabwe) (AFR/HAL/35/TAS/29) under German implementation;
 - (c) West Asia countries: Bahrain, Lebanon, Qatar and Yemen (ASP/HAL/30/TAS/360) under German implementation;
 - (d) Halon banking project in Algeria (ALG/HAL/35/TAS/51); Halon banking project in Nigeria (NIR/HAL/37/TAS/103);
 - (e) Halon banking project in Syria (SYR/HAL/34/TAS/77); and
5. Request Germany to submit data on recovery, recycling and reclamation from halon banking projects as requested by the Fund Secretariat.

Annex I

PROGRESS REPORT OF AUSTRALIA

BILATERAL AGENCIES PROGRESS REPORT - AUSTRALIA

I. Project Approvals and Disbursements

A. Annual Summary Data

As at 31 December 2004, the Executive Committee has approved 26 activities as bilateral contributions from the Government of Australia to the Multilateral Fund. Of the US\$ 1 172 339 approved*, US\$ 650 639 has been fully disbursed. The remainder of the approved funding relates to projects approved in 2000 and 2002. Bilateral contributions on an annual basis are as follows:

<u>Year</u>	<u>Amount (US dollars)**</u>
1992	34 974
1993	4 317
1994	66 800
1995	120 896
1996	423 652
1997	0
1998	0
1999	0
2000	245 700
2001	0
2002	276 000
2003	0
2004	0
TOTAL	1 172 339

** Adjusted for the return of unutilised funds.

B. Summary Data by Type (CPG, DEM, INS, INV, PRP, TAS, TRA)

Under the Secretariat's classification system, Australia's bilateral activities are distributed among the following types of projects:

Type	Number of Projects	Amount Approved * (US dollars)
Country Programmes	-	-
Demonstration Projects	2	423,652
Institutional Strengthening	-	-
Investment Projects	-	-
Project Preparation	-	-
Technical Assistance	20	642 596
Training	3	106 091
TOTAL	26	1 172 339

* Adjusted amount - includes any adjustments for unutilised funds.

II. Project Completions since Last Report

N/A

III. Global and Regional Project Highlights

N/A

IV. Completed and Ongoing Projects

All of the Government of Australia's bilateral activities are considered non-investment projects.

Of the 26 approved activities, the Government of Australia has completed 7 and 17 are classified as ongoing. 16 of Australia's ongoing projects consist of Australia's contribution to the Pacific Island Countries Regional Strategy approved by the Executive Committee in January 2002. One project, *Replacement of methyl bromide with non- ozone depleting substances in grain storage: KEN/FUM/21/DEM/12* was cancelled at the 30th Meeting of the Executive Committee and the undisbursed balance of US\$91 869 was returned for

reprogramming on 29 June 2000. A Project Cancellation Report was submitted to the 32nd Meeting of the Executive Committee. Another project, *Implementation of the RMP: Programme for the recovery and recycling of CFC 12 refrigerant*: VIE/REF/34/TAS/34 was transferred to UNDP for implementation as Australia could not reach agreement with UNDP on implementation modalities.

Brief progress reports on the Government of Australia's 17 ongoing investment activities are provided below.

IND/HAL/32/TAS/281: National Halon Management and Banking Programme

The 32nd Meeting of the Executive Committee approved IND/HAL/32/TAS/281 in December 2000. This project is being implemented jointly with the Government of Canada in India.

The following activities were completed in 2003:

- Construction of the National Halon Bank facility in New Delhi. Several key halon owners/users from both Government and the private sector obtaining benefit from the facility's reclamation and quality assurance services;
- Installation of the facility's equipment;
- Training of facility personnel in the equipment's operation;
- Establishment of the Halon Management Group/Advisory Forum; and
- Development of the national halon database.

The following activities were completed in 2004:

- *Fire engineering & system maintenance training courses for large halon owners/users*: initial series of courses completed;
- *Technical assistance/consultancy services to critical halon users*: commenced and ongoing;
- *Public education and awareness activities*: project requirements completed.

Implementation of the following activities was planned for completion in 2004:

- *Data collection for input into the national critical halon users database*: awaiting status report;
- *Technical assistance for the collection, storage and transportation of halon from non-critical users to the Bank*: development and implementation of national program underway, awaiting status report.

Under the terms of the agreement with the Multilateral Fund, legislation to ban import and production of new halon in India was required to be in place 6 months after the set up of the Halon Bank. We are currently awaiting confirmation of the status of this legislation.

First disbursements for this project occurred in 2002. As at 31 December 2004, US\$ 207 600 had been disbursed. Please note that the planned completion date for the project was changed from January 2004 to July 2004.

FSM/REF/36/TAS/01; FSM/REF/36/TAS/02; KIR/REF/36/TAS/02; KIR/REF/36/TAS/03; MAS/REF/36/TAS/02; MAS/REF/36/TAS/04; SOI/REF/36/TAS/02; SOI/REF/36/TAS/04; TON/REF/36/TAS/01; TON/REF/36/TAS/03; TTR/REF/36/TAS/01; TTR/REF/36/TAS/02; TUV/REF/36/TAS/02; TUV/REF/36/TAS/04; VAN/REF/36/TAS/02; VAN/REF/36/TAS/04: Regional Strategy for the Implementation of the Montreal Protocol in Pacific Island Countries.

The 36th Meeting of the Executive Committee approved the *Regional Strategy for the Implementation of the Montreal Protocol in Pacific Island Countries* in March 2002. This project is being jointly implemented by Australia and UNEP. The project is due to be completed in 2005.

Australia is responsible for the following components of this project:

1. training programme for refrigeration technicians including MAC recovery and recycling equipment; and
 2. assistance for enforcing ODS regulations and training programme for customs officers.
- Eight train-the-trainer workshops on “Good Practices in Refrigeration” have been successfully conducted, completing the first phase of Australia’s component of the Regional Strategy. All participating countries were involved in these workshops.

The second milestone is dependant upon each participating country first implementing appropriate ODS regulations. In that regard:

- model regulations and UNEP publications “ODS Import/Export Licensing Systems – Resource Module” and “Regulations to Control ODS: A Guidebook” were circulated to each country participating in the strategy during 2002;
- a regional meeting of participants in 2003 shared experience to date in developing and implementing the regulations, including lessons learned in identifying the most appropriate legislative instruments and securing political support; and
- country-specific advice on the detail of their ODS Regulations has been provided to each participating country.

Referring to the *SPREP Report of 6th Monthly Progress on Regional Programme for Implementation of the Montreal Protocol in the Pacific Region (December 2004)*, over the past 12 months, reasonably good progress has been made:

- Approval of ODS regulations in the Marshall Islands and continued progress in the remaining seven countries;
- Acceptance of amendments to the Montreal Protocol by Kiribati;
- Compliance on data reporting to the Ozone Secretariat by several countries, and on-going follow-up in four countries;
- Compliance by several PICs on reporting to SPREP and MLFS, and on-going follow-up;
- Continued advice, where necessary, on purchase of refrigeration equipment as identified after technician training;
- Continued public awareness raising in core countries; and
- Reporting of quarterly financial and half-yearly progress to UNEP.

As the second phase of the project is dependant upon each participating country first implementing appropriate ODS regulations, the Marshall Islands is the first country to undertake the “training programme for customs officers” which took place in the Marshall Islands from 26-30 April, 2005.

V. Status of Project Preparation, by country

N/A

VI. Administrative Issues (Adjustments and Other Issues)

A. Adjustments

Australia notes the return of US \$110,352 from UNDP on behalf of Australia, including earnings on interest amounting to US \$68,190, for the completed recovery and recycling project in Vietnam (VIE/REF/20/DEM/14).

UNEP/OzL.Pro/ExCom/45/1/Add.1 confirms the Treasurer’s adjustments to Australia’s bilateral contributions and cash contributions, and that the interest was credited as interest collected on Fund balances instead of additional contributions from Australia.

Annex II

PROGRESS REPORT OF CANADA

2004 Status on Canada's Bilateral Activities

I. Project Approvals and Disbursements

A. Annual Summary Data

As of December 31st 2004, the Executive Committee has approved 63 activities as bilateral contribution from the Government of Canada to the Multilateral Fund. Of the US \$ 7,544,222 approved as bilateral contributions from Canada, US \$ 5,552,256 has been disbursed including completed projects. Bilateral contributions on an annual basis are as follows:

Year	Amount*
1993	\$649,500.00
1994	\$536,270.00
1995	\$50,000.00
1996	\$761,685.00
1997	\$853,950.00
1998	\$548,710.00
1999	\$727,040.00
2000	\$917,251.00
2001	\$878,582.00
2002	\$525,450.00
2003	\$412,959.00
2004	\$682,825.00
TOTAL	\$7,544,222.00

*Adjusted for the return of unutilized funds

B. Summary Data by type (CPG, DEM, INS, INV,PRP, TAS,TRA)

According to the Secretariat's classification system, Canada's bilateral activities are distributed among the following types of projects:

Type	Number of Projects	Amount Approved (US dollars)*
Country Programmes		
Demonstration Projects	3	\$562,000
Institutional Strengthening		
Investment Projects	7	\$920,020
Project Preparation	3	\$47,200
Technical Assistance	30	\$4,233,920
Training	20	\$1,781,082
TOTAL	63	\$7,544,222

*Adjusted for the return of unutilised funds

II. Project Completions Since Last Report

Since the last progress report, Canada technically completed 4 projects and financially completed 9 projects.

III. Global and Regional Project Highlights

The following provides highlights of a few selected projects.

Bolivia: RMP

Bolivia adopted legislation in March 2004 to control the import of CFCs and other ODS. Additionally, the Bolivian Governmental Ozone Commission has developed a computerized national information system in order to monitor the import and use of ODS. In May 2004, 35 customs officers participated in two train-the-trainers workshops. ODS identifiers have been purchased and distributed and phase II of customs training was to be completed by March 2005.

Chile: RMP

Training of technicians was initiated in 2003 and 800 refrigeration technicians have been trained thus far. Approximately 800 more will be trained in 2005. Comprehensive draft ODS import control legislation has been developed and is currently being reviewed by Congress. As soon as the legislation is approved, estimated to be by August 2005, work will begin the recovery and recycling program. UNEP is responsible for carrying out the Training of Customs Officers and Public Awareness components of the RMP.

Colombia: Training of Customs Officers

Approximately 250 customs officers and other government officials were trained through 2004 by the trainers who attended the Train-the-Trainer workshop in 2003. An assessment of the impact of the training was initiated in 2005.

Cuba RMP/TPMP

The RMP was completed in 2004. Notably 667 customs officers and 2650 refrigeration technicians received training, one of the highest numbers of trained personnel under RMPs. MAC recovery and recycling machines are being used by service workshops for buses and trains.

Planning for the TPMP began in mid-2004. The first phase of procurement of recovery and recycling and refrigeration tools was nearly completed by the end of April 2005. A second and final phase is planned before the end of 2005.

Jamaica: CFC Terminal Phase-Out Management Plan (TPMP)

This project is implemented in cooperation with UNDP. The Canadian component of this project includes mostly activities for further training of refrigeration technicians and

customs officers, recovery and recycling and the development of a code of good practice for refrigeration. In 2002, the code of good practice was completed and distributed to refrigeration technicians through various awareness raising workshops. Amendments to the Ozone Act were passed, making the certification of technicians in good practices mandatory. A refresher course for customs officers was held. The process for a second phase of recovery and recycling was initiated and equipment was transferred in April 2005.

IV. Completed and On-going Projects

Of the 63 activities approved to date, 42 have been completed, one was closed, one was transferred to another agency and the remaining 19 are on-going.

V. Status of Project preparation, by country

n/a

VI. Administrative Issues (Adjustments and Other Issues)

n/a

Annex III

PROGRESS REPORT OF FINLAND

2004 Status on Finland's Bilateral Activities

I. Project Approvals and Disbursements

A. Annual Summary Data

As of December 31st 2004, the Executive Committee has approved 5 activities as bilateral contribution from the Government of Finland to the Multilateral Fund. Of the **US\$ 451,870** approved as bilateral contributions from Finland, **US\$ 309,104** has been disbursed including completed projects.

This does not include the project ETH/REF/23/TRA/04 that has been transferred to UNEP in March 2000.

Bilateral contributions on an annual basis are as follows:

Year	Amount in US\$
1997	103,440
1998	225,430
1999	20,000
2000	0
2001	103,000
TOTAL	451,870

B. Summary Data by type (CPG, DEM, INS, INV,PRP, TAS,TRA)

According to the Secretariat's classification system, Finland's bilateral activities are distributed among the following types of projects:

Type	Number of Projects	Amount Approved (US dollars)
Technical Assistance	2	258,430
Training	3	193,440
TOTAL	5	451,870

II. Project Completion's Since Last Report

None

III. Global and Regional Project Highlights

None

IV. Completed and On-going Projects

Of the 5 activities approved to date, 2 have been completed and the remaining 3 are ongoing.

Generally speaking, RMP components managed by UNEP include policy and training projects, which are not limited to the NOU mandate, but most of the cases require involvement of high-level officers at the country level. Consequently, minimization of

delays is less likely to be controlled by the Implementing Agency as far as policy issues are at stake (i.e. time spent in coordinating with other organizations, frequent changes of directors/ministers, presidential elections, etc.). The following actions are planned in order to improve the execution of projects:

- Nicaragua policy & regulations (NIC/REF/25/TAS/06): Bilateral meetings with NOU are and will systematically be carried out at the network meetings. UNEP and NOU are considering and agreement with an experienced third party including supervisory functions. Third party has been very active in the preparation of the RMPU and therefore, will be the optimum candidate to manage the transition for the completion of current activities without duplicating those involved under the RMPU.
- Panama customs (PAN/REF/29/TRA/12): Changes in the Customs Office are still taking place due to recent presidential elections. Nevertheless, UNEP has negotiated an agreed action plan in order to complete project by the end of 2005. Phase I will need to be redo since customs officers already trained are not part of the new administration anymore. Negotiation is taking place in relation to new activities under the recently approved NPOP. Particular attention is given to transitional period and stability of counterpart personnel within the Customs Office in order to ensure sustainability.
- Panama monitoring (PAN/REF/29/TAS/11): A national consultant was hired in December 2004 in order to carry out RMP monitoring and legislation review activities. She will support completion of remaining RMP activities and will provide a report in June-2005 with analysis of current legislation including recommendations for revisions, if found necessary from the analysis. Recommendations will also be provided for the transitional period in order to avoid duplication of activities of current RMP and those of recently approved CFC-phase-out plan.

V. Status of Project preparation, by country

None

VI. Administrative Issues (Adjustments and Other Issues)

None

Annex IV

PROGRESS REPORT OF FRANCE

SUMMARY NARRATIVE OF FRANCE PROGRESS REPORT UNTIL 31 DEC 2004

I. Project Approvals and Disbursements:

A. Annual Summary Data:

Until 31 December 2004, the Executive Committee (ExCom) approved 82 projects as French bilateral contribution to the Multilateral Fund. This corresponds to an Adjusted Approved Funding of US\$10,752,348..

4 469 679US\$ have been disbursed, including completed activities.

Yearly bilateral contributions are the following:

<u>Year</u>	<u>Approved Funding plus Adjustments (US\$)</u>
1994	235,851
1995	120,000
1996	961,572
1997	1,766,636
1998	662,250
1999	2,685,088
2000-2002	1,843,519
2003	1 006 620
2004	1,470,812
Total	10,752,348

B. Summary of Data by Project Type (CPG, DEM, INS, INV, PRP, TAS, TRA)

According to the Multilateral Fund Secretariat classification, France carries out the following bilateral activities:

Type	Number of Projects	Approved Funding plus Adjustments (US\$)
Country Program (CPG)	4	133 955
Demonstration Project (DEM)	0	0
Institutional Strengthening (INS)	1	38 874
Investment Project (INV)	20	5 856 784
Project Preparation (PRP)	13	320 500
Technical Assistance (TAS)	29	3 387 061
Training (TRA)	15	1 015 174
TOTAL	82	10 752 348

II. Project Completions since Last Report

The following projects have been completed in 2004:

Project Reference	Project Title
IVC:REF/37/PRP/15	Project preparation for projects in commercial refrigeration production facilities
MAG/REF/29/TAS/05	Implementation of the RMP: set up a national recovery and recycling network
MAG/REF/29/TRA/02	Implementation of the RMP: training of personnel in charge of control and monitoring of imports of ODS
MAG/REF/29/TRA/03	Implementation of the RMP: training of trainers and refrigeration technicians in good service practices

IV. Performance Indicators (INV, TAS and TRA):

The Executive Committee has approved a total of 82 projects as French bilateral contribution to the Multilateral Fund. Their status is the following on 31 December 2004:

INV: 20 projects approved

- 11 projects are completed
- 8 are on going including new approvals
- 1 was cancelled (ASP/MAL/SOL/18/INV/78)

TAS: 29 projects approved.

- 15 projects are completed
- 14 are on going

TRA: 15 projects approved

- 10 projects are completed
- 5 are on going

V. Status of Agreements and Project Preparation by country:

The Executive Committee has approved a total of 13 project preparations as French bilateral contribution to the Multilateral Fund.

On 31 December 2004, the following is not yet financially completed:

AFR/IVC/REF/37/PRP/15

VI. Administrative issues (Adjustments and Other Issues)

Annex I Country Development and Institutional Strengthening Unit Highlights

A. Country Programs

4 Country Program preparations have been approved and completed for Mauritania, Vietnam, Madagascar and Vietnam.

B. Institutional Strengthening:

1 project was approved in 1994 and completed in 1999

Annex II: Database of French bilateral activities carried out within the framework of the Montreal Protocol on 31 December 2004

Annex V

PROGRESS REPORT OF GERMANY

Progress Report 2004 (narrative):

General Remarks:

A total of 9 new projects and 4 second tranches of previously in principle approved projects were approved by the 42nd to 44th ExCom meetings in 2004. The volume of funding was US\$ 3'884'563, bringing Germany's bilateral funding level during the current triennium to US\$ 9'683'804 out of a total of US\$ 11'348'664.

In order not to exceed the ceiling of Germany's 20% bilateral contribution to the Multilateral Fund GTZ-Proklima arranged for bilateral funding from the Government of France to cover 4 projects (RMP-updates for Ethiopia, Mozambique and Uganda, and the Terminal CFC Phase Out Management Plan for Kenya).

Regional Halon Projects:

In the process of an evaluation of halon projects, the 44th ExCom decided:

To request GTZ/PROKLIMA, in cooperation with the countries concerned, to update the plan for the regional halon projects in West Asia and Eastern and Southern Africa within the framework of the funding approved, and taking into account recovery and recycling facilities in the countries and regions in order to realize full phase-out of virgin halon consumption while assuring the supply of recycled halons from either national or regional recovery and recycling centres, and to report upon the plan's preparation and implementation in the progress report covering the year 2004;

In order to facilitate the required coordination with the countries concerned, the Secretariat had suggested using the respective regional ozone officers' meetings to finalize the revised plans. The meeting for English speaking Africa was scheduled for 12-13 April in Luanda, Angola. Unfortunately, it had to be cancelled due to the current Ebola epidemic afflicting the area. The West Asia meeting took place on 26-27 April 2005.

West Asia:

GTZ-Proklima presented several suggestions to enable the stalled project to achieve its objectives. No formal report about the meeting has been received to date, but it appears that no agreement on an acceptable way forward could be reached. This is a serious situation. Since a representative of the Secretariat was present, we suggest comparing notes on process and outcome of the meeting. GTZ-Proklima will then request the assistance of the Secretariat to explore the remaining options.

Southern and Eastern Africa:

GTZ-Proklima has drafted and circulated an updated plan for this halon project. The plan was to be presented at the cancelled meeting in Angola. The meeting has now been re-scheduled to take place in Kenya in June. Some remarks have been received from the countries in writing and were incorporated into the proposal. However, it appears that the proposal cannot be considered final at this stage. We will continue to finalize the proposal during the next two weeks, and hope to receive consent from the concerned countries even before the meeting in June.

Implementation Delays:

On a more positive note, Germany was able to reduce its projects listed with implementation delays. Currently (April 2005), only 3 projects remain in this category, all of which have finally also made progress and will be reported as completed shortly.

Report on Status Changes:

A total of 64 projects were finalized, completed or started during 2004, which required an update of the respective status. Attached please find a list of all concerned projects.

Notes on Progress Report columns:

We have not been able to completely and correctly understand the requirements for columns H, I and J in the excel sheet for Multi Year Projects as pointed out more clearly in a foot note below the table. We would appreciate receiving advice from the Secretariat how these columns must be filled correctly.

Report on project status changes in 2004.

MLF-No.	Status	Project Title	Remarks
ALG/FOA/31/INV/44	COM	Conversion of Algeria Mousse Polyurethane (AMP)	Project completed. PCR under preparation
ALG/FOA/32/INV/45	COM	Conversion of SOFTPM, Choupot Oran, to LCD technology	Project completed. PCR under preparation
ALG/FOA/32/INV/46	COM	Conversion of Matelas Souf to LCD technology	Project completed. PCR under preparation
ALG/SEV/43/CPG/60	ONG	Development of a country programme update	CPU under finalization. To be submitted together with the TPMP at the 47th meeting.
BOT/REF/39/PRP/07	COM	Project preparation for an RMP update	Project completed. RMP update submitted for approval at 44th Excom
BRA/REF/34/TRA/228	COM	Pilot project: training programme for the refrigeration maintenance sector	Project completed.
CPR/REF/27/INV/282	COM	Elimination of CFC-11 and CFC-12 in the manufacture of domestic refrigerators and freezers at China Aerospace Industry Corp. Kunming Refrigerator Factory	Project completed. PCR under preparation
CPR/REF/35/INV/384	COM	Conversion of the use of CFC-12 to HC in the manufacture of thermostats at Foshan Tongbao Co., Ltd.	Project completed. PCR under preparation
CPR/REF/43/TAS/414	ONG	Development of a suitable strategy for the long term management of HCFCs, in particular HCFC-22	R22 end user survey has been finalized. Project enters phase of data processing, analysis and synthesis of alternative strategies
CRO/HAL/39/PRP/19	FIN	Project preparation/technical assistance for the halon sector	Project preparation lead to project approval at 43rd Excom
CRO/HAL/43/TAS/24	ONG	Sectoral phase-out programme: establishment of a halon bank	The largest halon system is installed in the National Library. Activities were so far limited to assisting Croatia in selecting a technology supplier for an alternative system to be installed before the country joins the EU.
CUB/PHA/37/PRP/21	FIN	Preparation of a CFC phase out management plan	Project preparation lead to project approval at 43rd Excom
CUB/PHA/43/TAS/25	ONG	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	Technicians studied retrofit systems and potentials and prepared a syllabus on emission reduction; conversion of one cold room to R409; Preparation to retrofit 15 commercial refrigeration systems; development and printing of 1000 retrofit manuals and emission reduction manuals; development of training programme on emission reduction; Training courses in retrofit and emission reduction conducted for 20 trainers and 500 technicians; Preparation of a manual on R409a.
EGY/REF/29/TAS/74	COM	Implementation of the RMP: modification of legal provisions and information system	UNIDO was subcontracted. Project completed. PCR under preparation.
EGY/REF/29/TAS/76	COM	Implementation of the RMP: implementation of measures to address the informal sector	UNIDO was sub-contracted, training courses have been carried out successfully. Project completed. PCR under preparation.
ETH/REF/26/TAS/06	COM	Implementation of the RMP: assistance in the design of policies and regulations	Project Completed. PCR to be submitted. RMP update approved in Dec 2004
ETH/REF/37/PRP/10	COM	Project preparation for a refrigerant management plan update	The detailed survey of the R&AC sector is ongoing.

MLF-No.	Status	Project Title	Remarks
GAM/REF/32/PRP/11	FIN	Project preparation for additional activities for Gambia RMP	Project completed and resultant RMP update is being implemented.
GLO/REF/26/TAS/172	COM	Implementation of RMPs for 14 low volume consuming countries in eastern and southern Africa	All countries have completed the activities under this project. PCR is to be submitted
IND/PHA/42/INV/375	ONG	CTC phase-out plan for the consumption and production sectors: 2004 work programme	Various surveys were conducted in the sector identifying the different applications of CTC as well as identifying and testing several locally available alternative substances and processes. The results were presented and discussed in a stakeholder workshop in cooperation with the Indian Textiles Committee.
IND/REF/32/TAS/288	FIN	Preparation of a national strategy to reduce and eliminate the use of CFC refrigerants in the servicing sector	India's National CFC consumption Phase-Out Plan with special reference to the Refrigeration Service Sector was approved at the 42nd ExCom (IND/REF/42/INV/369).
IND/REF/42/INV/369	ONG	National CFC consumption phase-out plan focusing on the refrigeration service sector (first tranche)	Project infrastructure was set up and two Core Group Meetings were conducted to coordinate the inputs of the cooperating implementing agencies as well as the Government of India. Equipment supply strategies were worked out. Suppliers for training equipment were identified and purchase orders for training materials for the first 60 training institutes were issued.
IND/REF/44/INV/380	ONG	National CFC consumption phase-out plan focusing on the refrigeration service sector: 2005 work programme	Project (2nd tranche) just approved in Dec. 2004 (Excom 44). For project progress see comments on IND/REF/42/INV/369
IRA/FOA/34/INV/114	COM	Conversion of the use of CFC to LCD in the manufacture of flexible foam at Iranogharb	Project completed. PCR under preparation
IRA/FOA/35/INV/116	COM	Conversion of the use of CFC to LCD in the manufacture of flexible foam at Esfanj Jajerood foam company	Project completed. PCR under preparation
IRA/FOA/37/INV/150	COM	Conversion from CFC-11 to pentane technology in the manufacture of integral skin PU foam at Jahad Tahghihat Group	Project technically completed. Payment of incremental operational costs continues.
IRA/FOA/37/INV/151	COM	Conversion of the use of CFC to LCD in the manufacture of flexible foam at Abre Baspar foam company	Project completed. PCR under preparation
IRA/FOA/37/INV/152	ONG	Conversion from CFC-11 to fully water-based technology in the manufacture of flexible molded PU foam at Sanayeh Dashboard Iran	Tender specifications finalized. Equipment is procured and installed in 2004.
IRA/FOA/37/INV/153	COM	Conversion from CFC-11 to fully water-based technology in the manufacture of flexible molded polyurethane foam at Nikou Esfandj	Project technically completed. Payment of incremental operational costs continues.
IRA/FOA/37/INV/156	COM	Conversion from CFC-11 to fully water-based technology in the manufacture of flexible molded polyurethane foam at Phira Khodro	Project technically completed. Payment of incremental operational costs continues.
IRA/PHA/39/PRP/159	FIN	Preparation of a national CFC phase-out plan	National Phase Out Plan has been submitted and approved at the 41st Excom
KEN/FUM/42/INV/35	ONG	Technology transfer leading to methyl bromide phase-out in soil fumigation in all other horticulture (second tranche)	During 2004 the project staff was completed, a demonstration facility was set up in cooperation with the University of Nairobi, a very successful demonstration of substrates as alternative to MB was held at this facility. In sectors and areas where viable alternatives have already been identified, the project is assisting MB using farms with equipment, materials, training and technical assistance in the installation and use of alternatives. In sectors where the suitable alternatives have not yet been identified, the project identified farms to carry out pilot technology transfers – relevant techniques are being transferred from other regions, piloted on Kenyan farms and adopted as necessary. Following this, a training programme is being carried out to disseminate the most appropriate techniques in the areas.

MLF-No.	Status	Project Title	Remarks
KEN/REF/26/TAS/19	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project Completed. PCR submitted. TPMP approved in Dec 2004
KEN/REF/28/TAS/24	FIN	Recovery and recycling project	PCR submitted to the 44th Excom.
KEN/REF/36/TAS/27	COM	Project preparation for the RMP update	A TPMP developed through the preparation process was approved in Dec 2004
KEN/SOL/35/PRP/26	FIN	Project preparation for the solvent sector	Project completed , investment project being implemented
LES/REF/26/TAS/05	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project Completed. PCR submitted TPMP submitted and approved at 41st Excom
LES/REF/37/PRP/07	FIN	Project preparation for an RMP update	Project completed, TPMP approved at 41st Excom
MAR/FUM/37/PRP/13	FIN	Project preparation for the phase out of methyl bromide use	A project proposal was prepared but not accepted by the beneficiary. Assistance of beneficiary will now be under the TPMP approved at 41st ExCom.
MAR/REF/26/TAS/10	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR submitted TPMP approved at 41st Excom
MAR/REF/37/PRP/14	FIN	Project preparation for a CFC terminal phase out management plan	Project completed. TPMP approved at 41st Excom
MLW/REF/26/TAS/11	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR submitted
MLW/REF/37/PRP/17	FIN	Project preparation for a refrigerant management update	RMP approved in June 04
MLW/REF/43/TAS/20	ONG	Implementation of the RMP update: refrigeration and air-conditioning sector	8 identifiers were provided to the customs. 3 customs trainings have been completed. Approx 60 customs officers have been trained through the course.
MOR/HAL/31/PRP/40	COM	Project preparation/technical assistance in the halon sector	Project proposal completed and with consent of NOU transferred to UNIDO for implementation.
MOZ/REF/26/TAS/07	COM	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR to be submitted
MOZ/REF/37/PRP/09	COM	Project preparation for a refrigerant management plan update	Project completed. RMP update approved in Dec 04
NAM/PHA/37/PRP/08	FIN	Project preparation for a terminal ODS phase-out management plan	Project completed and TPMP approved at 41st Excom
NAM/REF/26/TAS/06	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR submitted. TPMP approved in Dec 2003
SEY/REF/26/TAS/05	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR submitted. RMP Update ongoing
SEY/REF/37/PRP/07	FIN	Project preparation for a refrigerant management plan update	RMP update approved
SWA/REF/26/TAS/05	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project completed, PCR submitted. RMP update ongoing
SWA/REF/37/PRP/06	FIN	Project preparation for a refrigerant management plan update	Project completed. RMP update approved at 41st Excom
UGA/REF/26/TAS/07	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR submitted. RMP update approved in Dec 2004
UGA/REF/37/PRP/09	COM	Project preparation for a refrigerant management plan update	Project completed. RMP update approved in Dec 04
URT/REF/26/TAS/12	COM	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR submitted.
URT/REF/36/TAS/14	ONG	Recovery and recycling of CFCs	One training conducted for MAC as well as commercial refrigeration with 24 participants; one recovery and recycling center installed in Dar-es-Salam and training conducted for 9 participants.
YEM/FUM/34/PRP/09	FIN	Preparation for phase-out investment project for methyl bromide sector	Assessment of final actual MB consumption completed in all areas, phase out project proposal finalized for submission to 42nd ExCom.
ZAM/REF/26/TAS/08	FIN	Implementation of the RMP: assistance in the design of policies and regulations	RMP completed, RMP update approved in 42nd Excom
ZAM/REF/37/PRP/12	FIN	Project preparation for a refrigerant management plan update	RMP update approved at the 42nd meeting

MLF-No.	Status	Project Title	Remarks
ZAM/REF/42/TAS/13	ONG	Refrigerant management plan update: refrigeration and air conditioning sector	15 refrigerant identifiers were provided to the custom dept based on their request. 3 custom trainings are scheduled. 22 participants were trained in the first training course in 2004. Additional equipment was requested and provided for training centers outside Lusaka. Technician trainings will start following completion of the custom training.
ZIM/PHA/37/PRP/25	COM	Project preparation for a terminal ODS phase-out management plan	Survey has been conducted, A stakeholder workshop is planned for May 2004 to discuss the results and recommend activities to be done under the TPMP
ZIM/PHA/44/INV/29	ONG	Terminal phase-out management plan for CFCs (first tranche)	TPMP first tranche approved at 44th ExCom
ZIM/REF/26/TAS/15	FIN	Implementation of the RMP: assistance in the design of policies and regulations	Project completed. PCR submitted

Annex VI

PROGRESS REPORT OF ITALY

2004 Status on 8 Bilateral Activities

I. Project Approvals and Disbursements

A. Annual Summary Data

As of December 31st 2005, the Executive Committee has approved **_8_** activities as bilateral contribution from the Government of **_Italy_** to the Multilateral Fund. Of the US \$ **_9,794,489_** approved as bilateral contributions from **_Italy_**, US **_2,641,233_** has been disbursed including completed projects. Bilateral contributions on an annual basis are as follows:

Year	Amount*
2001	3,375,489
2002	1,950,000
2003	-
2004	4,470,000
TOTAL	9,794,489

*Adjusted for the return of unutilized funds

B. Summary Data by type (CPG, DEM, INS, INV,PRP, TAS,TRA)

According to the Secretariat's classification system, **_8_** bilateral activities are distributed among the following types of projects:

Type	Number of Projects	Amount Approved (US dollars)*
Country Programmes		
Demonstration Projects		
Institutional Strengthening		
Investment Projects	8	9,794,489
Project Preparation		
Technical Assistance		
Training		
TOTAL	8	9,794,489

*Adjusted for the return of unutilised funds

II. Project Completion's Since Last Report

Since the last Progress Report, 4 bilateral activities have been completed during the year 2004. The related project numbers are indicated in the table below.

MLF Project Number
IND/FOA/34/INV/307
IND/FOA/34/INV/318
IND/FOA/34/INV/319
IND/FOA/34/INV/336

III. **Global and Regional Project Highlights**

N/a.

IV. **Completed and On-going Projects**

Of the **_8_** activities approved to date, **_4_** are on-going and **_4_** are completed.

V. **Status of Project preparation, by country**

In China, **ONGOING**

In India, **COMPLETED**

In Romania, **ONGOING**

In Yugoslavia, **ONGOING**

VI. **Administrative Issues (Adjustments and Other Issues)**

The reported data related to the contribution as bilateral activities from the Government of Italy (i.e. amount approved, number of projects, *status* of completion of the projects), include the Italian contribution in the national phase out of Methyl Bromide in China, as approved in principal at the 44th ExCom meeting.

The Italian contribution corresponds to the second tranche of the project. The value of this contribution is US\$4,000,000 plus agency support costs of US\$470,000.

The request for the approval of the second tranche of the national phase out of Methyl Bromide in China will be presented to the Executive Committee of the Multilateral Fund at its 46th meeting.

Annex VII

PROGRESS REPORT OF SWEDEN

2004 Status Report on Sweden's Bilateral Activities

I. Project Approvals and Disbursements

A. Annual Summary Data

The Executive Committee (ExCom) has until 31 December 2004 approved twelve activities plus one extension project as bilateral contributions from the Government of Sweden to the Multilateral Fund. Separate NCPP tranches to National Phase out plans or Terminal Phase-out Management Plans are not included in this figure. As of 31 December 2004 funds were disbursed for these projects as specified in the enclosed progress report.

B. Summary Data by Type (CPG, DEM, INS, INV, PRP, TAS, TRA)

Under the Secretariat's classification system, Sweden's bilateral activities are distributed as follows:

Type	Number of Projects
Country Programmes	-
Demonstration Projects	-
Institutional Strengthening	-
Investment Projects	-
Project Preparation	4
Technical Assistance	6
Training	2
TOTAL	12

II. Project Completions

The **Regional Workshop on Control and Monitoring of ODS Consumption** for the Southeast Asia/Pacific Region was funded with equal bilateral contributions from Sweden and Japan and implemented through UNEP. The workshop was held in Thailand (Jomtien) May 2000 and was attended by ozone and customs officers from ten countries in the region. The participating countries developed a joint set of declarations and drafted national action plans for further work in their respective country. The report from the workshop was prepared by Sweden in February 2001. The project completion report prepared in coordination with UNEP was submitted 1 May 2002. The project was financially completed 27 May 2002.

Philippines

At the 29th Meeting of the Executive Committee, the Government of Sweden received approval for preparation of a government strategy to reduce and eliminate the use of CFC refrigerants for servicing and installations on site in the Philippines.

Detailed discussions with the Philippine authority in charge, Department of Environment and Natural Resources, on the implementation took place May 2000. International and local

consultants were contracted and in November 2000, the first meeting with the involved authorities and the private sector was conducted. A survey of current consumption and use in the sector has been conducted. An RMP outline was adopted in October 2001.

The project was coordinated with the WB into a NCPP mainly during a data collection workshop in April 2002 and meeting in Stockholm in June 2002. The project was submitted jointly with the WB to the 38th ExCom meeting where it was approved in November 2002

Croatia

At the 36th meeting in March 2002 Sweden received approval for assisting the Government of Croatia in updating their Refrigerant Management Plan (RMP Update). A survey of current consumption and use in the sector was conducted during 2002. Due to ExCom decision regarding Terminal Phase-out Management Plans (TPMP) the Update was submitted as a TPMP, with Sweden as co-implementing agency and UNIDO as lead Implementing Agency, in January 2003 for approval at the 39th ExCom meeting.

Serbia and Montenegro

At the 40th ExCom Sweden received approval for assisting the Government Serbia and Montenegro in preparing a National CFC-phase-out Plan (NCPP) in collaboration with UNIDO. A first draft NCPP prepared by Sweden was in January 2004 discussed within the NCPP Working Group in SEM. The data collection was ready in February 2004.

The NCPP was approved at the ExCom43 in July 2004 with Sweden as co-implementing agency together with UNIDO as the lead implementing agency.

III. Global and Regional Project Highlights

A. Global Projects

Handbook – Servicing sector

At the 41st meeting of the Executive Committee, the Government of Sweden received approval for developing a Handbook related to the servicing sector. A Draft outline of the Handbook with a broader perspective in accordance with the ExCom decision was developed in March 04. Two consultants were recruited in May 2004 for different parts, A and B. A first draft of part B was developed in October 2004. A first full Draft was developed in late Feb. 2005. The Draft has thereafter been revised substantially two times. The text is to be sent for a review by UNEP/DTIE and Japan not later than June 2005.

B. Regional Projects

Regional Customs Cooperation

At the 34th Meeting of the Executive Committee, the Government of Sweden received approval for establishing a customs cooperation network in the SEAP region. At the 39th ExCom Sweden got approval for extending the project to the South Asia region. UNEP/ROAP has been contracted as implementing agency in collaboration with Sweden. A steering group is appointed for each meeting. Three successful meetings have been held for the SEAP participants and three meetings jointly with the SA participants. The meeting 2004 was held in Agra India in April. The meeting in 2005 was held in Beijing in April. The work so far and the desk study on imports and Exports within the region have been discussed.

Information sheets on ODS licensing and a guide for enforcement officers developed within the project has been launched and distributed. The next and last meeting is planned for spring 2006 in order to get further experiences from the effects from the 2005 compliance target and when a planned introduction during 2005 of a risk profiling tool can be evaluated.

IV. Performance Indicators

N/A

V. Status of Agreements and Project Preparation, by Country

The Philippines National CFC Phase-out Plan; servicing sector

In November 2002 ExCom approved the NCPP for the Philippines. Sweden is co-implementing agency for technical assistance activities in the servicing sector. WB is lead agency. In October 2002 a mission was conducted in order to coordinate the scheduled activities in the NCPP with the DENR and relevant authorities in the Philippines.

During 2003 Sweden has assisted the Philippines in revising their national ODS legislation that was approved in March 2004. In December 2004 the next funding tranche was approved by the ExCom based on achieved milestones and reduced consumption of CFC.

Four missions to assist in relation to training of trainers, equipment requirements, Code of Practice, re-use scheme and technician certification have been conducted. The Swedish funding for 2004 mainly aimed to support establishment of a reclamation capacity, the establishment of a Code of Good Practice and to support the work of the Project Management Unit. The mission in January 2004 was a joint mission with the WB. Sweden has commented on several versions of the Philippine Code of Practice that was adopted in April 2004. The second mission during 2004 was held in June 2004 and invited at the mission were the Technical work group, relevant authorities, WB and Swedish Embassy for a formal acceptance of the first Philippine Code of Practice.

As of December 2004, seventy one trainers were trained under the train the trainers Program. In Feb 2005 a mission was conducted mainly in order to finalize details of plan for re-use of CFC including reclamation facility operated by PARII and present it to all refrigerant importers and also to discuss the Evaluation Officer comments resulting from an evaluation mission to Manila in Dec. 2004.

Croatia

The assistance to Croatia in the implementation of the TPMP is jointly implemented by UNIDO and Sweden, with UNIDO as the lead implementing agency.

In May 2003, SEI met UNIDO and a representative from the Ministry at a meeting in Vienna to discuss the implementation of the TPMP.. Terms of Reference for the international and national consultants were prepared during May 2003. Two international and one national consultant are contracted. The first mission to Croatia was conducted in September 2003.

The national ODS regulation (By-law) is currently under revision and Sweden has during 2004 provided input to this process, including references to relevant EU-regulation. The specifications for the reclamation equipment have been developed and the international

bidding procedure has occurred. The reclamation equipment was delivered during autumn 2004. A mission took place in May 2004.

Serbia and Montenegro

The assistance to Serbia and Montenegro (SEM) to develop a NCPP for the servicing sector was completed in a joint undertaking with UNIDO during the spring 2004 and the plan was approved in July 2004. UNIDO is the lead implementing agency for assisting in the implementation of the NCPP while Sweden is co-implementing agency with technical assistance projects in the servicing sector as requested by SEM.

A startup meeting between SEM, SEI and UNIDO was held in September 2004. The NCPP activities were further discussed at and after a stakeholder meeting in December 2004. Terms of references for international for the implementation phase have been developed.

Thailand

The Swedish contribution to the Thai Halon Management Programme consists of technical assistance. The project is being implemented by the World Bank. Sweden has in May 2001 disbursed 100% of the Swedish contribution to the WB. In 2004 the first disbursement was made from the WB to the project implementation. Recruitment of national and international consultants for this subproject was delayed for nearly one year, mainly due to the time required to identify the qualified candidates. ToR were established in December 2001 and the tendering process begun in January 2002.

During the autumn 2003 the project got started. Phase I of the project which has included data collection; preparations for the regulatory actions to be taken; information seminars and definition of criteria for essential halon users has been completed in April 2004. Phase II has started and includes: preparations for a demonstration room on halon alternatives; Improvement of Policy and Regulations; user registration and set up of halon database; registration of halon users, installations and importers; Information Dissemination, and training workshops. No additional disbursements have yet been made in 2005 but the consultants have prepared all their reports. A revised project document is to be submitted to the next ExCom to reflect the fact that Thailand has decided not to proceed with a physical halon bank.

Lao PDR

The Swedish contribution in Laos PDR consists of technical assistance to prepare an import/export licensing system. International and national consultants were contracted in April 2002. After initial delay in the signing of agreement and data collection the project is now almost completed. The Decree for the "Control of the Import-Export and Consumption of ODS" was signed late 2003. A regulation for how the new Decree shall be implemented has been developed and the regulation was signed by the Minister in November 2004. SEI and the IC gave a number of suggestions on drafts on the regulation during 2004. The information brochure to all importers informing them about the licensing system has been drafted and will be finalized during 2005.

Romania

In July 2004, at the 43rd Meeting of the Executive Committee, the Government of Sweden received approval for the preparation of a national CFC phase-out plan for the servicing sector in Romania. After recruitment of consultants a mission was held in November 2004.

The NCPP was prepared during the autumn 2004 and was approved at the 45th ExCom meeting in April 2005.

VI. Administrative Issues

A. Adjustments

N/A

B. Other Issues

N/A

Annex VIII

**PROGRESS REPORT OF THE CZECH REPUBLIC, HUNGARY AND THE
SLOVAK REPUBLIC**

**PROGRESS REPORT ON
THE IMPLEMENTATION OF BILATERAL PROJECTS OF THE CZECH
REPUBLIC, HUNGARY AND THE SLOVAK REPUBLIC ON
THE REGIONAL OZONE NETWORK FOR EUROPE AND CENTRAL ASIA**

EUR/SEV/39/TAS/02, EUR/SEV/39/TAS/03, EUR/SEV/39/TAS/04

Approval

1. The bilateral projects to support the establishment and operation of a regional network for eligible countries of Europe and Central Asia was approved by decision 39/18 of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol as follows:

***“Regional network for 10 Article 5 countries in Eastern Europe/Central Asia
(Czech Republic, Hungary and Slovak Republic) (UNEP/OzL.Pro/ExCom/39/21)***

Having considered the comments and recommendation of the Sub-Committee on Project Review (UNEP/OzL.Pro/ExCom/39/19, paragraphs 19 and 20), the Executive Committee decided to approve the bilateral requests for the Czech Republic, Hungary and the Slovak Republic at the level of funding indicated in Annex VI to the present report, on the understanding that UNEP would assume full responsibility for reporting on expenditure and implementation of the project.”

2. Total funding provided for the establishment of the new Network by the three bilateral agencies amounted to US\$ 129,107 including US\$66,090 from the Czech Republic, US\$16,523 from the Slovak Republic and US\$46,494 from Hungary. This was supplemented by funding of an individual project approved for UNEP.

Establishment of the Network

3. Following the approval by the Executive Committee, UNEP invited countries of Europe and Central Asia operating under Article 5 of the Montreal Protocol to participate in the Regional Ozone Network. These countries were Albania, Armenia, Bosnia and Herzegovina, Georgia, Kyrgyzstan, FYR Macedonia, Moldova, Romania, Serbia and Montenegro and Turkey*. Croatia joined the Network with an observer status. Austria, Czech Republic, Hungary, Slovak Republic and Sweden participate as bilateral partners. The European Commission also participates.

4. Activities of the Network fully or partially financed from the bilateral contributions are described below.

First Meeting of the Regional Ozone Network

5. The First Meeting of the Regional Ozone Network took place from 7 to 9 October 2003 in Ohrid, FYR Macedonia. It was jointly organised by the Ministry of Environment and Physical Planning of Macedonia and UNEP.

* Currently the Network consists of 13 member countries. Cyprus and Turkmenistan joined in 2004.

6. The Meeting was attended by 29 participants including National Ozone Officers, representatives of bilateral partners, the Ozone Secretariat, the Multilateral Fund Secretariat, UNIDO and UNEP.

7. The objectives of the Meeting were to present a concept of networking; review ongoing and planned ODS phase-out activities of member countries and agree upon priorities of the Network in intermediate term.

8. An important outcome of the Meeting was the establishment of Contact Groups in support of those countries facing compliance challenges or difficulties in the implementation of their national phase-out programmes. Specifically, the following Contact Groups were established:

- ◆ Albania - Macedonia – UNIDO – UNEP;
- ◆ Bosnia and Herzegovina – Croatia – Macedonia – UNIDO – UNEP;
- ◆ Armenia – Kyrgyzstan – Georgia – UNDP – UNEP.

9. It was agreed that compositions of the Contact Groups may change depending on evolving country's needs. New Contact Groups would be established if and when necessary.

Meeting of the Contact Group “Kyrgyzstan – Georgia – Moldova – UNEP”

10. The Meeting of Contact Group “Kyrgyzstan – Georgia – Moldova – UNEP”, held from 27 to 30 July 2004 in Bishkek, Kyrgyzstan, was the first full-fledged meeting of a contact group under the Regional Ozone Network for Europe and Central Asia.

11. The meeting attended by 14 participants, including Heads of National Ozone Units and experts in refrigeration, methyl bromide phase-out, legislation, public awareness and climate change and chemicals management from Georgia, Kyrgyzstan and Moldova, and a representative of UNEP. The meeting was conducted in the Russian language.

12. The objectives of the meeting were to facilitate the exchange of experience and transfer of expert knowledge between the participating countries and to strengthen capacity of National Ozone Units to implement the Montreal Protocol. It was conducted as a series of interactive sessions focussed on in-depth review and discussion of implementation aspects of various projects set out in the national ODS phase-out programmes of Kyrgyzstan, Georgia and Moldova.

13. The meeting resulted in a number of recommendations for the participating countries as to expediting the implementation of approved projects and initiating new activities.

14. The participants concluded that achievements of the three countries would be of interest and value to the other Network members and should thus be broadly disseminated in the region. These include, *inter alia*, the introduction of a computerized training programme for refrigeration technicians in Moldova; field trials of chemical and non-chemical methyl bromide alternatives for soil fumigation (metam sodium, dazomet, biofumigation and steam) in Georgia; and the operation of a mobile refrigerant Recovery & Recycling Centre in Kyrgyzstan.

15. The participants decided that the next meeting of the Contact Group would focus on alternatives to methyl bromide.

Sub-Regional Workshop on Implementation of Refrigerant Management Plans in the Balkans

16. During the First Network Meeting in Ohrid in 2003, Refrigerant Management Plans (RMP) were identified as one of the priorities of the Network. It was agreed to conduct a meeting of the Contact Groups for Albania and Bosnia and Herzegovina on this issue. Originally scheduled for October 2004, the meeting was postponed to February 2005.

17. The Sub-Regional Workshop on RMP Implementation in the Balkans was held from 8 to 10 February 2005 in Ohrid, FYR Macedonia.

18. The Workshop was attended by 26 participants, including Heads of National Ozone Units, national refrigeration consultants and representatives of National Custom Departments from Albania, Bosnia and Herzegovina, Croatia, Cyprus, Georgia, Romania and Serbia and Montenegro, as well as representatives of UNEP.

19. RMPs of Albania, Bosnia and Herzegovina and Serbia and Montenegro were approved during 2003-2004 and these countries needed support and advice to efficient launch and implement their projects. The objective of the Workshop was therefore to facilitate transfer of knowledge and experience in RMP to Albania, Bosnia and Herzegovina and Serbia and Montenegro from other countries of the region in more advanced stages of RMP implementation. The Workshop also aimed to train and develop skills of newly appointed staff of National Ozone Units of the participating countries.

20. The Workshop discussed such issues as recovery and recycling programmes, training of refrigeration technicians and customs training. It resulted in detailed recommendations for the participating countries on efficient implementation of RMPs.

Information services

21. An electronic discussion group (e-forum) of the Regional Ozone Network for Europe and Central Asia was established in September 2003 and has been in operation since then.

22. This tool has been used to provide Network members with information on developments in the ozone layer protection at global and regional levels; share news from the region and individual member countries; and help exchange experiences; and outreach the Network achievements to other countries of European/Central Asian region not members of the Network. The existence of the information services assisted also in successful completion of the ratification process of all four amendments to the Montreal Protocol by the Parliament of Serbia and Montenegro in December 2004.

Manual on Compliance with and Enforcement of Multilateral Environmental Agreements (MEAs)

23. Funding from the bilateral projects was used to support the participation of a UNEP's representative to a Regional Workshop on Compliance and Enforcement of MEAs held in Kiev, Ukraine, in March 2004, for the Russian Speaking countries of the region.

24. The objective of the Workshop was to discuss and provide input in a draft Manual outlining principles of compliance with MEAs, their enforcement and implementation. The participation of the UNEP OzonAction representative was necessary to incorporate lessons learned in the implementation of the Montreal Protocol in this guidance document.

Temporary staff to support the Network operation

25. During 2003, a temporary staff member at professional level was recruited to support the operation of the Network. A salary of this staff member was paid from the bilateral projects.

Return of unspent balances

26. An estimated unspent balance from the bilateral projects to be returned to the Multilateral Fund amounts to US\$ 10,000. This balance comes from the project personnel budget line of the Czech Republic contribution.

27. The exact amount of unspent funds to be returned will be communicated to the MLF Secretariat in April 2005 upon the closure of UNEP 2004 accounts.

Conclusion

28. The bilateral contributions and support provided by the bilateral agencies were instrumental in establishing the new Network and launching its operation. In 2004 the funding for the European/Central Asian Network was incorporated in the global budget of the UNEP Compliance Assistance Programme (CAP).

29. Apart from the above listed activities financed through the bilateral projects, the following networking activities took place with the funding from the CAP budget and other UNEP projects:

- ◆ Meeting of Contact Group “Albania-Macedonia-UNEP-UNIDO”, 12 March 2004, Tirana, Albania
- ◆ Second Meeting of the European/Central Asian Network, 25-28 May 2004, Sarajevo-Fojnica, Bosnia and Herzegovina
- ◆ Informal Meeting of Article 5 and Article 2 countries of Europe and Central Asia, 14 July 2004, Geneva, Switzerland
- ◆ Implementation of the Regional Awareness Raising project in Bosnia and Herzegovina, Georgia, Moldova and Republic of Macedonia
- ◆ Regional Halon Management Workshop, 1-2 November 2004, Belgrade, Serbia and Montenegro
- ◆ Third Meeting of the European/Central Asian Network, 3 November 2004, Belgrade, Serbia and Montenegro
- ◆ Exhibition of Awareness Materials from Europe and Central Asia at MOP-16, November 2004, Prague, Czech Republic
- ◆ Meeting of Contact Group “Armenia-Georgia-Kyrgyzstan-UNEP-UNDP” with the participation of Kazakhstan and Uzbekistan, 15-17 December 2004, Yerevan, Armenia

- ◆ Production of CD-ROM containing *Ozzy Ozone* video in national languages, including seven languages from the region (Armenian, Georgian, Greek, Macedonian, Romanian, Russian and Uzbek) for demonstration during MOP-16 and the meeting of UNEP Governing Council
- ◆ Information on networking activities was regularly posted on the website and included in OzonAction Newsletter

30. Currently the Regional Ozone Network for Europe and Central Asia is fully operational.