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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 UNDP AS AT 31 DECEMBER 2004

This document includes:

- The Comments and Recommendations of the Fund Secretariat
- UNDP 2004 Progress Report (January - December 2004)

COMMENTS OF THE FUND SECRETARIAT

Introduction

1. This document presents the comments and recommendations of the Fund Secretariat on the progress report of UNDP for activities up to 31 December 2004. The progress report is attached.

Status of Implementation

2. During the reporting period (January - December 2004), UNDP phased out 6,415 ODP tonnes and disbursed US \$34.5 million. The Executive Committee approved 21 investment projects in 2004 for UNDP implementation valued at about US \$20.3 million that should result in the phase-out of 3,408 ODP tonnes.

3. In 2004, UNDP completed 57 investment projects. Cumulatively, UNDP has completed 92 per cent (858 projects) of the 933 investment projects approved for its implementation by the end of 2004. It has phased out 86 per cent (44,860 tonnes) of the ODS to be phased out from its portfolio of approved projects (51,870 tonnes), and has disbursed 78 per cent (US \$324.7 million) of the resources approved for it (US \$418.04 million) by the Executive Committee by the end of 2004.

4. UNDP completed 69 per cent of its non-investment projects excluding project preparation. In 2004, UNDP completed one country programme, 8 technical assistance projects, and renewed 12 institutional strengthening projects as planned in its 2004 business plan.

5. UNDP is currently implementing 18 multi-year performance-based agreements for which US \$88.5 million was approved including 4 that were approved in 2004. It plans to submit 2 new agreements in 2005.

6. UNDP completed 21 project preparation activities in 2004.

Progress at the country level

7. Annex I provides an assessment by country of UNDP's 2004 activities. UNDP had planned disbursements in 74 countries. It achieved a rate of disbursement of over 85 per cent planned in 52 countries. UNDP phased out over 100 ODP tonnes more than it had planned in three countries: Morocco (1,959 ODP tonnes), Lebanon (407 ODP tonnes) and Malawi (164 ODP tonnes). All of these countries reduced their ODS consumption in 2004 compared with that of 2003 by the amounts indicated as follows: Lebanon (319 ODP tonnes), Morocco (116.6 ODP tonnes), and Malawi (48.8 ODP tonnes).

8. Implementation delays in countries such as Brazil increased net ODS emissions by 2,850 ODP tonnes despite 137 per cent of planned disbursements having occurred. Other notable net emissions due to delays include:

- Egypt (954 ODP tonnes less were phased out than planned but 155 per cent of planned disbursements was achieved);
- Yemen (446 ODP tonnes less and 21 per cent of disbursements);
- China (340 ODP tonnes less and 99 per cent of disbursements);
- Nigeria (296 ODP tonnes less and 23 per cent of disbursements);
- Malaysia (180 ODP tonnes less but 123 per cent of disbursements);
- Indonesia (177 ODP tonnes less and 89 per cent disbursements);
- Libya (159 ODP tonnes less and 34 per cent disbursements);
- Colombia (101 ODP tonnes less and 56 per cent disbursements);
- India (97 ODP tonnes less and 86 per cent disbursements);
- Argentina (73 ODP tonnes less but 233 per cent disbursements);
- Chile (43 ODP tonnes less but 275 per cent disbursements);
- Congo DR (32 ODP tonnes less but 103 per cent disbursements);
- Bangladesh (32 ODP tonnes less but 595 per cent disbursements);
- Cuba (31 ODP tonnes less and 7 per cent disbursements); and
- Peru (28 ODP tonnes less but 303 per cent disbursements).

9. Of these countries with net emissions due to delays, Argentina, Brazil, Colombia, Congo DR, Egypt, India, Libya and Malaysia have reported 2004 data. Despite delayed projects, Argentina's reported ODS consumption decreased by 34.2 ODP tonnes in 2004, compared to its 2003 consumption. Also, Brazil's consumption was decreased by 1,275.5 ODP tonnes, Colombia's by 145.7 ODP tonnes, Congo DR's by 243.4 ODP tonnes, Egypt's by 18.5 ODP tonnes, India's by 3,682.3 ODP tonnes, Libya's by 230.1 ODP tonnes, and Malaysia's by 12.3 ODP tonnes.

10. Based on planned completion dates in the 2003 progress report, and the results in the 2004 progress report, UNDP completed 56 per cent of the projects it had planned to complete in 2004 and 87 per cent of the targeted phase-out.

Multiple-year Performance-based Agreements

11. UNDP included information in its progress report about its 18 multiple year agreements. The main source of information on progress in these activities are the annual work programmes and associated progress reports. The information in the annual progress reports provides disbursement information and information on the status of the signing of agreements. The signing of grant agreements is critical to the release of financial support because project funds cannot be released to the country until the agreement is signed.

12. UNDP is implementing the Refrigeration sector phase-out plan in Indonesia (IDS/REF/38/INV/151). The project is listed as completed in March 2005 with only 11 per cent of the funds disbursed and 11 per cent obligated of the US \$2.2 million approved for the project. UNDP indicated that US \$1.2 million in purchase orders was issued that would be reflected in 2005.

13. Regarding the solvent sector phase-out plan in China, funds amounting to US \$17 million had not been disbursed (CPR/SOL/42/INV/410) from the tranches for 2002, 2003 or 2004. While it is understood that the annual tranches are approved based on consumption criteria and not the completion of activities, it is noted that UNDP's disbursement modality is still based on total completion of each individual activity. UNDP indicated that it was considering means by which it might make disbursement on the basis of achievement of annual phase-out targets and completion of annual activities. Similar to the project in Indonesia, there is no requirement for reporting on the ongoing activities of the completed project since the previous tranches are closed.

14. UNDP's implementation of the National ODS phase-out plan covering technical assistance programme for the refrigeration servicing sub-sector (2004 work programme) in Bangladesh (BGD/PHA/42/TAS/19) has not started. UNDP indicated that the project document needed to be changed. Following the approval of the project, UNDP and UNEP undertook a mission to change the document to enable UNEP participation. The project document is going through the internal approval process and the NOU is aware of the need for the project document to be signed for the project to move forward. This is also delaying a project to monitor Bangladesh's RMP (BGD/REF/29/TAS/12).

15. UNDP is implementing the national CFC phase-out plan in Nigeria (first tranche) (NIR/PHA/38/INV/106). Although some funds were disbursed and obligated, most of the over \$4 million remaining in the budget does not appear to be addressed through obligations. UNDP indicated that procurement of equipment for the foam sector faced some delays that have since been resolved. UNDP is combining equipment orders from multiple tranches to accelerate disbursements in 2005.

Activities in countries found to be in non-compliance

16. UNDP is implementing several projects in countries found to be in non-compliance. Reports on the activities in these countries are to be found in the Status/Prospects of Compliance document (UNEP/OzL.Pro/ExCom/46/6).

Individual projects

17. This section addresses implementation delays, and comments on specific projects that have not yet been classified with implementation delays but appear to have implementation difficulties.

Implementation delays

18. There are 25 projects with implementation delays after taking into consideration any projects removed from the list as per Executive Committee decisions. 6 of the 25 projects with implementation delays were also classified as having implementation delays last year. UNDP had fewer projects classified with implementation delays than last year when 42 projects were so classified.

Projects with implementation difficulties

19. Due to Cuba's large consumption of CFCs for MDIs, the project for phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs) (CUB/ARS/41/INV/23) is considered critical to Cuba's ability to comply with its Montreal Protocol obligations. UNDP is implementing the project. Although the project document has been signed and a commercial agreement was made between Cuba and the technology provider, the Government of Cuba has not provided the technology provider with a license to operate in Cuba. The application for this license took place during the first half of 2004, but as of December 2004 the license had not been obtained. Therefore, UNDP and the Government of Cuba are now searching for an alternative technology provider.

Institutional strengthening, refrigerant management plans (RMPs), and need for additional status reports

20. Institutional strengthening projects and RMPs are not subject to monitoring through implementation delay reports and therefore not subject to the procedures for project cancellation. The Secretariat reviews progress report database information provided by the agencies to determine if all institutional strengthening units are operational or having difficulty. Information is also provided in the section on RMPs about the status of projects with conditions of approval and end user incentive programmes. Additional status reports are requested for those projects with ongoing delays.

Institutional strengthening

21. UNDP is implementing (27) institutional strengthening projects in several of the largest consuming countries such as Brazil, China, India, and Malaysia. UNDP reports that the ozone units under UNDP's implementation are fully operational and coordinating their national ODS phase-out programmes.

Refrigerant Management Plans (RMPs)

22. UNDP is the implementing agency for 59 RMP activities approved up to the end of 2004, including 10 national recovery and recycling projects, 16 monitoring projects, 12 incentive projects for end-users, one MAC recovery and recycling project, and various technical assistance projects: for a licensing system, two for the refrigeration sector, 8 for the MAC and/or refrigeration servicing and/or refrigeration end-users, one for customs training and 7 projects for multiple components of RMP.

23. National recovery and recycling projects are expected to be completed in 2005 for Bangladesh, Djibouti and Togo.

Conditions of Approval

24. UNDP has started implementation in Djibouti (DJI/REF/37/TAS/07) after hearing from UNEP that regulations were in place (in the case of Djibouti as at 5 May 2004). It has started

implementation also in Cambodia (KAM/REF/41/TAS/05) where the sub-decree for licensing and reporting for all ODS was signed in March 2005 and the price for CFC-12 was \$4.41/kg, HFC-134a was \$6.62/kg and HCFC-22 was \$2.57/kg.

25. Although UNDP was informed that regulations had been approved, it has not received confirmation from the lead agency that licensing systems were in place, nor that the prices of CFCs were similar to the alternatives. Therefore, UNDP has not initiated activities for its recovery and recycling programme in DR Congo (DRC/REF/41/TAS/16), nor its programmes in Gabon (GAB/REF/41/TAS/11), Mauritania (MAU/REF/41/TAS/11) and Rwanda (RWA/REF/41/TAS/08). In the case of Gabon, the project document has not been signed by the NOU despite repeated efforts of UNDP to obtain the signature. UNDP indicated that it would not release funds until the licensing and quota system is implemented. Moreover, the UNDP has not received confirmation that the prices of CFCs and HFCs are similar.

Incentive projects

26. UNDP is implementing several incentive programmes in countries to provide incentives to commercial refrigeration users (small chillers) to convert to non-CFC equipment. Although there have been different results, there have also been a number of lessons learned in the process. Some Article 5 countries had implemented the project differently to that envisaged in the original project document. Burkina Faso believed that it had this flexibility as per decision 41/100 to implement its incentive programme (BKF/REF/32/TAS/11), but agreed to present an accounting of the expenditures incurred for the project. UNDP reported that additional beneficiaries had received incentives including cold stores and airport installations.

27. The incentive programme in Chad (CHD/REF/38/TAS/09) did not move forward despite the fact that the project document had been signed in 2003. UNDP indicated that a consultant had visited to reinstate the project, but there was no follow up despite several reminders.

28. Although the incentive project in Sierra Leone (SIL/REF/41/TAS/06) had been approved in December 2003, the project document was only signed in February 2005. UNDP indicated that the delay was caused primarily because the project document had to be rewritten and agreed by the NOU and stakeholders.

29. The incentive programme in Uruguay that had been approved in July 2001 (URU/REF/34/TAS/37) has taken a long time to move forward. UNDP indicated that a workshop on hydrocarbon alternatives had stimulated interest and proposals are being evaluated. The enterprises with the largest ODS consumption are to receive priority and two conversions are expected this year. The project has duration until August 2007.

30. There have been many successful incentive programmes including the project in Costa Rica (COS/REF/41/TAS/27) that is intended for the fishing industry. It has had four beneficiaries selected and two are currently undergoing conversions. The incentives system was established in a way that the boat owners do not receive cash, but the materials for the conversion and technical assistance instead are provided by a local expert recruited by the NOU and UNDP. The four pilot conversions are useful to determine costs more accurately and to show

the results to other owners and motivate them to convert. 12 additional boats have been identified for a second phase that will start during the second half of 2005

31. Over the last 3 years, the incentive programme in Georgia (GEO/REF/35/TAS/10) had granted a total of US\$56,603 to assist 15 enterprises to undertake a total of 4 retrofits and 93 replacements of CFC using refrigeration equipment. In no case has the amount of the assistance given represented more than 50% of the cost to the enterprise. As a direct result a total of 3,357 ODP kg of CFC refrigerant has been withdrawn from use in the equipment and installations. In addition, a number of enterprises that were not considered to have qualified for financial assistance under the terms of the project took advantage of the technical advice and know-how being offered by the project's technical team to also retrofit or replace their equipment and installations. This resulted in a further 2,466 ODP kg. of CFC refrigerant being substituted by low-ODP or non-ODP refrigerants. All the CFC refrigerant was recovered, recycled and made available for other CFC using equipment. This has brought about a total reduction in the consumption of virgin CFC refrigerant of 5,823 ODP kg.

32. To date, 20 applications have been approved for the incentive programme in Ghana (GHA/REF/32/TAS/14) and an additional 15 applications are under review. More applications are expected but the remaining funding (after paying the 35 applicants) will not be adequate. The post 2007 TPMP proposed to be submitted for 2006 will request additional funding for this activity.

33. The incentive programme in Kyrgyzstan (KYR/REF/37/TAS/02) has resulted in 7 incentive payments amounting to a total of US \$36,521 to phase-out 1.607 ODP tonnes.

Additional status report

34. UNDP is implementing a regional halon bank West and Central Africa (Benin, Burkina Faso, Cameroon, Congo, Congo DR, and Guinea) (AFR/HAL/37/TAS/31). UNDP indicated that implementation delays have been experienced largely due to difficulties in communicating with partner countries (non-responsiveness) and in transferring funds for national contracts. An additional status report is recommended for this project due to ongoing delays, and also because one of the countries, Cameroon, has time-specific benchmarks for 2004 halon consumption as per its plan of action that was adopted in decision XV/32.

35. There have been several activities on the halon banking programme in Egypt (EGY/HAL/32/TAS/81) during 2003 and 2004, but the project appears to be stalled since the equipment has not be installed. The equipment was delivered and has been housed in storage under the responsibility of the Ministry of the Environment. UNDP plans to renew its efforts to reactivate this project. For this reason, it is suggested that an additional status report on this project should be submitted to the 47th Meeting.

36. Additional status reports are also suggested for the projects, "Technical assistance for revision, preparation and introduction of national fire codes/standards for use of halon alternative technologies in India (IND/HAL/29/TAS/243) and country programme update in Nigeria (NIR/SEV/36/CPG/102) since no progress or very little progress was achieved in 2004.

Financial matters

37. This section of the Secretariat's comments addresses apparent project overruns, and a comparison of UNDP's progress report data with the Inventory of Approved Projects.

Overruns

38. UNDP has 18 projects with apparent overruns that are not allowed according to decision 17/22. UNDP indicated that while overruns were not allowed for Multilateral Fund projects, these are allowed for other funds managed by UNDP forming a pool of funds that are not restricted on a project by project basis. It states that the overruns were incurred because some charges made for several projects (for example, charging consultancy bills covering several projects often in various countries) are charged equally to the projects concerned. The adjustments to be made require tracing these cases, and redistributing those charges proportionally so that no overrun remains. UNDP has been attempting to reduce the number of these overruns because last year there were 73 such cases and this year 18. UNDP indicated that there would be no project overruns when the projects are declared financially completed.

39. UNDP stated that it would adjust the figures in the next progress report that was due on 1 May 2006. However, this would mean that the data in UNDP's 2004 Progress Report and the 2004 Consolidated Progress Report would show overruns that are not allowed by decision 17/22 and the financial data in the progress report is needed to enable annual Reconciliation of Accounts pursuant to decision 38/9, para. d.

Accounting problems

40. The Secretariat identified several cases where the level of disbursement and obligations, in particular for project preparation accounts, did not balance. For example: in one case, the level of disbursement expected exceeded the balance (BAR/REF/39/PRP/07); in others, the project had been prepared submitted and approved in 2004, and an amount was obligated by the end of the 2004, but expected disbursements exceeded the level obligated (BAR/REF/42/PRP/09, JAM/SOL/39/PRP/18, and MAL/FUM/42/PRP/150); in another, all project preparation activities had been completed but no funds were disbursed, obligated, or expected to be disbursed (BZE/REF/42/PRP/09); and in another, all funds were reported disbursed but UNDP indicated that in fact all funds remained available (SOM/REF/36/PRP/02). In most cases, UNDP indicated that the full amount of funds would be depleted because outstanding obligations may have been recorded for other projects that would need to be applied to some of these projects.

41. In the case of one country, UNDP had three open institutional strengthening projects where disbursements had been made against each renewal (MAL/SEV/32/INS/142, MAL/SEV/38/INS/148 and MAL/SEV/44/INS/153). UNDP indicated that it would exhaust all of the funds from the older renewals before using funds for newer ones.

UNDP data in the progress report and the Inventory of Approved Projects

42. According to its progress report, UNDP has received US \$471,956,686 from project approvals and support costs, after adjustment for balances and cancellations whereas the Inventory of Approved Projects indicated US \$471,968,810. The net total disbursed including support costs is US \$368,747,397.

RECOMMENDATIONS

The Executive Committee may wish to:

1. Note UNDP's progress report contained in UNEP/OzL.Pro/ExCom/46/12.
2. Monitor the following projects as projects with implementation delays and note their slow progress:
 - (a) Regional halon bank West and Central Africa (Benin, Burkina Faso, Cameroon, Congo, Congo DR, and Guinea) (AFR/HAL/37/TAS/31);
 - (b) Halon banking activity in Egypt (EGY/HAL/32/TAS/81);
 - (c) Technical assistance for revision, preparation and introduction of national fire codes/standards for use of halon alternative technologies in India (IND/HAL/29/TAS/243);
 - (d) Country programme update in Nigeria (NIR/SEV/36/CPG/102); and
3. Note that UNDP will report to the 47th Meeting on up to 25 projects with implementation delays including 6 projects that were so classified last year.

Annex I

UNDP PROJECT IMPLEMENTATION BY COUNTRY

Country	Phased Out in 2004 (ODP tonnes)	Percentage of Planned Phase-out Achieved in 2004	Estimated Funds Disbursed in 2004 (US\$)	Funds Disbursed in 2004 (US\$)	Percentage of Funds Disbursed over Estimation in 2004	Net Emission due to delay in 2004 (Actual versus Revised Planned Date of Completion) (ODP tonnes)	Net Emission due to delay in 2004 (Actual versus Date of Completion per Proposal) (ODP tonnes)	Percentage of Planned Projects Completed in 2004	Changes in A7 or CP Data (2004 vs. 2003)
Argentina	55	97%	649,709	1,511,164	233%	73	73	25%	-34.2
Bahamas	0					0	0		
Bahrain	17	100%	29,036	3,892	13%	-29	-29	100%	-39.6
Bangladesh	5	38%	38,768	230,622	595%	32	32	40%	No 2004 A7 or CP Data
Barbados	0		2,448	10,644	435%	0	0	0%	
Belize	0			633		0	0		
Benin	0		5,614	6,023	107%	0	0		
Bhutan	0					0	0		
Bolivia	7		54,652	206,880	379%	0	0	100%	
Botswana	0					0	0		
Brazil	1,010	99%	5,424,823	7,442,015	137%	2,850	2,850	56%	-1,275.5
Brunei Darussalam	0		4,081	7,605	186%	0	0	100%	
Burkina Faso	0		7,438	1,337	18%	0	0		
Burundi	0		36,625	80,020	218%	0	0	100%	
Cambodia	0		127,570	6,036	5%	0	0	100%	
Cape Verde	0			18,243		0	0		
Central African Republic	0					0	0		
Chad	0		42,450	3,033	7%	0	0		
Chile	10		196,692	540,864	275%	43	43	100%	No 2004 A7 or CP Data
China	1,461	99%	7,305,730	7,221,932	99%	340	742	29%	No 2004 A7 or CP Data
Colombia	50	18%	950,022	529,486	56%	101	101	75%	-145.7
Congo	0		23,616	5,141	22%	0	0		
Congo, DR	18		318,309	329,157	103%	32	32	100%	-243.4
Costa Rica	84	100%	523,249	941,887	180%	-50	85	33%	-84.3
Cuba	0	0%	1,236,120	81,248	7%	31	31	67%	No 2004 A7 or CP Data

Country	Phased Out in 2004 (ODP tonnes)	Percentage of Planned Phase-out Achieved in 2004	Estimated Funds Disbursed in 2004 (US\$)	Funds Disbursed in 2004 (US\$)	Percentage of Funds Disbursed over Estimation in 2004	Net Emission due to delay in 2004 (Actual versus Revised Planned Date of Completion) (ODP tonnes)	Net Emission due to delay in 2004 (Actual versus Date of Completion per Proposal) (ODP tonnes)	Percentage of Planned Projects Completed in 2004	Changes in A7 or CP Data (2004 vs. 2003)
Djibouti	0	0%	47,751	77,305	162%	4	4	0%	No 2004 A7 or CP Data
Dominican Republic	0	0%	18,172	35,928	198%	2	2	50%	29.6
Ecuador	0					0	0		
Egypt	86	29%	161,717	251,113	155%	954	954	0%	-18.5
El Salvador	0		7,882	12,009	152%	0	0	100%	
Ethiopia	0					0	0		
Fiji	0		3,362	1,224	36%	0	0		
Gabon	0		15,780	3,237	21%	0	0	100%	
Gambia	0					0	0		
Georgia	1		13,649	53,489	392%	1	1		No 2004 A7 or CP Data
Ghana	3		59,178	66,684	113%	2	2	100%	9.8
Global	0		763	601,885	78884%	0	0	100%	
Grenada	0			317		0	0		
Guatemala	0					0	0		
Guinea	0			15,202		0	0		
Guinea-Bissau	0		4,081	7,605	186%	0	0	0%	
Haiti	0		53,605	24,508	46%	0	0		
Honduras	0		4,500	13,000	289%	0	0	0%	
India	708	91%	2,876,074	2,467,248	86%	97	97	64%	-3,682.3
Indonesia	511	100%	2,420,810	2,164,564	89%	177	177	50%	No 2004 A7 or CP Data
Iran	236	97%	982,803	2,638,410	268%	15	15	87%	No 2004 A7 or CP Data
Jamaica	0		29,871	38,706	130%	0	0	0%	
Jordan	0					0	0		
Kenya	10	100%	186,952	207,437	111%	7	7	50%	No 2004 A7 or CP Data
Kyrgyzstan	0		106,882	49,370	46%	0	0		
Lao, PDR	16	100%	44,383	132,105	298%	0	0	100%	
Lebanon	258	100%	351,211	618,946	176%	-407	-407	100%	-319.0
Lesotho	0					0	0		
Libya	0	0%	184,064	62,236	34%	159	159	0%	-230.1
Malawi	74	100%	286,859	943,791	329%	-164	-164	100%	-48.8

Country	Phased Out in 2004 (ODP tonnes)	Percentage of Planned Phase-out Achieved in 2004	Estimated Funds Disbursed in 2004 (US\$)	Funds Disbursed in 2004 (US\$)	Percentage of Funds Disbursed over Estimation in 2004	Net Emission due to delay in 2004 (Actual versus Revised Planned Date of Completion) (ODP tonnes)	Net Emission due to delay in 2004 (Actual versus Date of Completion per Proposal) (ODP tonnes)	Percentage of Planned Projects Completed in 2004	Changes in A7 or CP Data (2004 vs. 2003)
Malaysia	37	96%	401,341	492,729	123%	180	180	0%	-12.3
Maldives	0		23,000	20,851	91%	2	2		No 2004 A7 or CP Data
Mali	0		5,638	3,211	57%	0	0	0%	
Mauritania	0		42,647	4,563	11%	0	0	100%	
Mauritius	0			1		0	0		
Mexico	290	100%	253,408	644,167	254%	-32	-32	50%	2,049.8
Moldova	0		7,500	19,003	253%	0	0	100%	
Mongolia	6		1,509	7,862	521%	0	0		
Morocco	418	100%	19,306	60,093	311%	-1,959	-1,959	0%	-116.6
Mozambique	0					0	0		
Myanmar	0		3,265	6,084	186%	0	0	0%	
Nepal	0		1,728	16,633	962%	0	0		
Nicaragua	0		4,500	2,600	58%	0	0	0%	
Niger	0		3,625	15,092	416%	0	0	100%	
Nigeria	916	100%	2,769,259	624,234	23%	296	232	50%	No 2004 A7 or CP Data
Pakistan	10		69,192	79,548	115%	0	0	100%	
Panama	0		2,448	4,563	186%	0	0	0%	
Paraguay	5	100%	38,409	145,077	378%	-4	-4	100%	44.4
Peru	0	100%	26,668	80,737	303%	28	28	50%	No 2004 A7 or CP Data
Philippines	0		13,304	1,559	12%	0	0		
Region: AFR	0		153,311	217,660	142%	2	2		
Rwanda	0		26,380	4,189	16%	0	0	100%	
Sao Tome and Principe	0		2,448	4,563	186%	0	0	0%	
Sierra Leone	0		52,322		0%	0	0		
Somalia	0		1,087	2,668	245%	0	0	0%	
Sri Lanka	6	87%	200,218	316,295	158%	6	6	33%	-14.0
Suriname	0		2,204	15,693	712%	0	0	100%	
Syria	20	100%	635,685	1,557,283	245%	0	0	100%	
Tanzania	40	100%	15,571	8,553	55%	-37	-37	100%	-49.4
Thailand	0			7,522		0	0		

Country	Phased Out in 2004 (ODP tonnes)	Percentage of Planned Phase-out Achieved in 2004	Estimated Funds Disbursed in 2004 (US\$)	Funds Disbursed in 2004 (US\$)	Percentage of Funds Disbursed over Estimation in 2004	Net Emission due to delay in 2004 (Actual versus Revised Planned Date of Completion) (ODP tonnes)	Net Emission due to delay in 2004 (Actual versus Date of Completion per Proposal) (ODP tonnes)	Percentage of Planned Projects Completed in 2004	Changes in A7 or CP Data (2004 vs. 2003)
Togo	0		56,792	126,026	222%	0	0		
Trinidad and Tobago	18	100%	66,339	33,463	50%	-79	-79	50%	-19.5
Uganda	0					0	0		
Uruguay	0		90,870	77,083	85%	0	0	0%	
Venezuela	12	100%	57,720	172,141	298%	-8	-8	100%	No 2004 A7 or CP Data
Vietnam	17	0%	50,050	77,416	155%	6	6	50%	No 2004 A7 or CP Data
Yemen	0		65,989	13,535	21%	446	446		No 2004 A7 or CP Data
Zambia	0					0	0		
Zimbabwe	0			18,243		0	0		
Total	6,415	87%	30,001,032	34,545,121	115%	3,118	3,592	56%	

Annex II

PROJECTS WITH OVERRUNS WHERE FUNDS WERE PREVIOUSLY RETURNED

Code	Approved Funding (US\$)	Adjustment (US\$)	Funds Disbursed (US\$)	Funds Overruns (US\$)	Support Cost Approved (US\$)	Support Cost Adjustment (US\$)	Support Cost Disbursed (US\$)	Support Cost Overruns (US\$)
BRA/FOA/32/INV/190	211,410	-22,300	189,125	15	27,483	-2,899	24,586	2
BRA/FOA/34/INV/239	135,345	-2,457	132,920	32	17,595	-319	17,280	4
CPR/REF/17/INV/123	4,483,050	-6,913	4,476,156	19	582,797	-899	581,900	2
IRA/REF/30/PRP/62	30,000	-6,577	25,598	2,175	3,900	-855	3,328	283

Annex III

PROJECTS WITH OVERRUNS WHERE NO FUNDS HAVE BEEN RETURNED

Code	Approved Funding (US\$)	Adjustment (US\$)	Funds Disbursed (US\$)	Funds Overruns (US\$)	Support Cost Approved (US\$)	Support Cost Adjustment (US\$)	Support Cost Disbursed (US\$)	Support Cost Overruns (US\$)
BGD/REF/29/TAS/10	298,270	0	300,502	2,232	38,775	0	39,065	290
BRA/FOA/34/INV/231	151,812	0	151,817	5	19,736	0	19,737	1
BRA/FOA/36/INV/255	279,477	0	279,575	98	36,332	0	36,345	13
BRA/FOA/36/INV/259	247,882	0	249,117	1,235	32,225	0	32,385	160
CPR/FOA/27/PRP/278	75,000	0	81,815	6,815	9,750	0	10,636	886
IDS/SEV/32/INS/121	208,650	0	208,713	63	27,125	0	27,133	8
IND/FOA/34/INV/326	133,509	0	133,540	31	17,356	0	17,360	4
IND/SEV/34/INS/310	287,100	0	288,086	986	37,323	0	37,451	128
NIR/FOA/30/PRP/63	30,000	0	52,689	22,689	3,900	0	6,850	2,950
SYR/REF/31/INV/65	144,309	0	144,335	26	18,760	0	18,763	3
SYR/REF/31/INV/67	113,045	0	113,070	25	14,696	0	14,699	3
SYR/REF/32/INV/69	211,800	0	216,934	5,134	27,534	0	28,201	667
TRI/ARS/25/INV/12	119,570	0	120,964	1,394	15,544	0	15,725	181
VEN/SEV/25/INS/65	219,600	0	228,100	8,500	28,548	0	29,653	1,105

EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

(46th Meeting, 4-8 July 2005, Montreal)

UNDP PROGRESS REPORT NARRATIVE: 1991-2004

I. PROJECT APPROVALS AND DISBURSEMENTS

A. Annual Summary Data (See table 1)

- This information is presented in UNDP Table 1: Annual Summary. The table highlights the fact that, as of 31 December 2004, UNDP had a total of 1,709 approved projects under the Multilateral Fund, of which 74 had been canceled or transferred. Of the 1,635 remaining projects 1,422, or 87.0%, have been completed. They are set to eliminate 51,266 ODP T, of which 44,332 ODP T (86.5%) have already been eliminated.
- As of 31 December 2004, UNDP had received net project approvals of US\$ 418,039,681 (excluding support costs). Of these, UNDP, as of end-2004, had disbursed US\$ 324,704,290 excluding all obligations. This translates to 77.7 % of approved funding. An additional US\$ 5,460,334 of obligations were outstanding as of end-December 2004, representing orders placed but final payments not yet made; this would show that the level of committed resources was in fact 79.0 % of approved funding.
- As in previous years, it came to UNDP's attention that some projects (18) have incurred cost overruns. These are reflected in the project database. Our executing agent UNOPS has been notified and instructed that all expenditure overruns must be investigated. Action has been initiated to correct errors. Appropriate accounting adjustments, will be provided in 2005.

B. Interest and Adjustments

- Interest. Preliminary interest income earned on MLF Resources in 2004 is US\$ 1,185,000. This amount should be considered indicative only as UNDP has not yet issued its financial statements for 2004. Once the financial statements are issued, these will be submitted to the MLF Treasurer by the agreed deadline of 30 September. Any difference between the provisional and final 2004 interest income can then be offset against UNDP project approvals in 2005.

C. Summary Data By Type [CPG, DEM, INS, INV, PRP, TAS, TRA] (Table 2)

- UNDP Table 2: Summary Data by Project Type presents an overview of this data. It demonstrates that of the total amounts approved, 84.1 % of the budgets were dedicated to investment projects, 6.7 % to technical assistance projects, 4.5 % to institutional strengthening and 2.9 % to project preparation activities. The remaining 1.7 % was dedicated to country programmes and demonstration/training activities. It should be noted that, unlike in the Business Plan report, the "investment" category mentioned herewith does not include recovery & recycling (TAS) and MeBr demonstration projects.

D. **Multi-Year-agreements (Table 3).**

- The table focuses on the multi-year agreements as a whole, rather than on the individual tranches contained in the large database. The table shows that US\$ were allocated in principle to UNDP in multi-year agreements (without support costs) when all tranches are considered, while only US\$ out of this total were already approved in individual tranches as of end-2004. Please refer to table 3 for detailed information on each agreement.

E. **Sector Phaseout By Country (Table 4)**

- This data is presented in UNDP Table 4 entitled "ODP T/Year Phase out for Ongoing and Completed Projects". It shows that, in total, UNDP has eliminated 44,860 ODP T, of which 1,904 ODP T in aerosols, 24,604 ODP T in foams, 362 ODP T in MeBr projects, 2,163 ODP T in halons, 10,129 ODP T in refrigeration, 2,708 ODP T in solvents and 2,980 ODP T in National Phase Out Plans. Of the cumulative amount to be phased-out through UNDP activities, 6,415 ODP T were eliminated in 2004. As such, the relatively high ODP/year figure achieved in 2003 was even higher in 2004:

Year	1998	1999	2000	2001	2002	2003	2004
ODP Phased Out	4,650	4,569	4,147	4,021	4,583	5,846	6,415

- While section "D" above addresses the ODP phased out through multi-year agreements, UNDP also manages terminal ODS Phase out Agreements wherein all remaining phase out is funded as a result of approval of one funding tranche. These so-called "one-off" projects are listed in the following table, and a detailed status for each of them is provided therein:

Project	Date Approved	Planned or Actual completion date	Budget	Disbursed	Total ODP to be Phase-out	Remarks
BOL/FUM/35/INV/16 - Terminal methyl bromide phase-out, excluding QPS applications	Dec-01	Dec-05	221032	171,700	2	95% of materials were procured & distributed. National workshops on solarization, biofumigation and biological control held. Decree # 27421 - Licensing Systems and control of ODS - issued. Work has continued on awareness and educational activities. Project on track.
CHI/FUM/32/INV/143 - Demonstration and phase-out project for methyl bromide soil fumigation for fruit tree production and replant	Dec-00	Dec-06	805000	624,497	76	Trials on-going by national project team. Development of a strategic work plan at national level (Dec 43/13) to be submitted, along with IBRD project, in 1st quarter 2005. For more detail, please refer to Progress Report submitted at the ExCom 43 and Dec 43/13. UNDP is cooperating with IBRD.

Project	Date Approved	Planned or Actual completion date	Budget	Disbursed	Total ODP to be Phase-out	Remarks
GHA/FUM/37/TRA/18 - Training programme for terminal phase-out of methyl bromide use, excluding QPS applications	Jul-02	Dec-05	101550	36,568	6	Phase I (policy) completed with adoption ODS regulations. Technical training mission planning stalled in 04, pending endorsement from project national technical steering committee. Now scheduled for Q2 05.
KYR/FUM/41/TAS/08 - Technical assistance project to install alternatives and phase-out methyl bromide	Dec-03	Dec-08	300000	16,668	14	Project Document signed. Russian - speaking technical trainer identified. Intensive training scheduled for second quarter of 2005. Policy work ongoing at national level.
PER/FUM/31/INV/28 - Phase-out of methyl bromide in soil fumigation	Jul-00	Dec-04	209770	209,762	4	Completed. Final budget revision pending.
SRL/FUM/38/TAS/21 - Methyl bromide phase-out for all remaining uses excluding QPS applications	Nov-02	Nov-05	130000	29,491	3	Project activities are ongoing in 2004. Monitoring visit took place.

II. PROJECT COMPLETIONS SINCE LAST REPORT

A. ODP Phased Out Since Last Report from Completed Projects (Table 5)

- This data is presented in UNDP Table 5: Projects Completed Since Last Report. A total of projects, of which 57 investment projects and 40 non-investment projects, were completed between 1 January and 31 December 2004, with a total elimination of ODP T achieved. Projects completed in the investment category were as follows: in aerosols (4), foams (27), fumigation (6), halons (0), refrigeration (20), solvents (0). It should be noted that the ODP phase-out amount is different than that the one mentioned in Section "E." above. In fact, the two figures are unrelated, due to the difference resulting from partial phase out from ongoing projects. Section "E" takes the phase-out achieved in ongoing and completed projects and compares it with the same calculation of the previous year. The ODP in this paragraph is simply a cumulative total of the ODP phased-out from projects that were officially completed in 2004.

B. Non-Investment Project Completions Since The Last Report (Table 5)

- This data is also presented in UNDP Table 5: Projects Completed Since Last Report. A total of 40 non-investment projects, comprising 8 technical assistance activities, 0 demonstration programmes, 1 Country Programme Update, 10 institutional strengthening phases and 21 project preparation activities were completed between 1 January and 31 December 2004.

III. GLOBAL AND REGIONAL PROJECT HIGHLIGHTS

- A. **Global Projects:** The only on-going global programme under implementation by UNDP is GLO/SEV/44/TAS/259, the Core unit support (2005) programme approved at the 44th meeting of the Executive Committee 44, that covers the administrative costs of UNDP's Montreal Protocol Unit.

B. **Regional Projects:** Only the following two regional projects are ongoing. All others have been completed.

- **AFR/FUM/38/TAS/32 - Technical assistance for methyl bromide reductions and formulation of regional phase-out strategies for low-volume consuming countries:** For Article-5 countries that need to comply with the 20% reduction target, the training mission to the Republic of Congo was completed in 2004; all the national technical experts were identified; Methyl Bromide alternatives were selected; National contracts were established. All remaining technical missions are to be completed by the third quarter of 2005. As for the Very Low Volume Consuming Countries (VLVCs), the pesticide regulatory track is ongoing.
- **AFR/HAL/37/TAS/31 - Sector phase out programme: establishing a regional halon bank for West and Central Africa (Benin, Burkina Faso, Cameroon, Congo, Congo DR, and Guinea):** The National stakeholder workshops were organized and were implemented. National service contracts with the Nigerian halon management bank is still under discussion. The project is on track for completion as scheduled.

IV. PERFORMANCE INDICATORS

Decision 41/93 of the Executive Committee approved the indicators to allow for the evaluation of performance of implementing agencies, with the weightings indicated in the table below. Document UNEP/OzL.Pro/ExCom/42/8, contained the UNDP's 2004 targets. However it had been agreed with the Secretariat at the 42nd ExCom meeting that the second indicator would be decreased from 35 to 32 as some activities were withdrawn at the last minute due to ExCom decisions.

Category of performance indicator	Item	Weight	UNDP's target for 2004	Result achieved in 2004
Approval	Number of annual programmes of multi-year agreements approved vs. those planned.	20	20	20 (see annex 2, 1)
Approval	Number of individual projects/activities (investment projects, RMPs, halon banks, TAS) approved vs. those planned	20	32	25 (see annex 2, 2)
Implementation	Milestone activities completed (e.g. policy measures, regulatory assistance)/ODS levels achieved for approved multi-year annual tranches vs. those planned	20	12	12 (see annex 2, 3)
Implementation*	ODP phased-out for individual projects vs. those planned per progress reports	5	4,640	2,579 (see annex 2, 4)
Implementation*	Project completion (pursuant to Decision 28/2 for investment projects) and as defined for non-investment projects vs. those planned in progress reports	5	113	97 (see table 5 of progress report)
Implementation	Percentage of policy/regulatory assistance completed vs. that planned	10	N/a	N/a
Administrative	Speed of financial completion vs. that required per progress report completion dates	10	217	112 (see annex 2, 5)
Administrative*	Timely submission of project completion reports vs. those agreed	5	130 PCR's	97% achieved (126 submitted)
Administrative*	Timely submission of progress reports and responses unless otherwise agreed	5	On 1 May 2004	100% achieved

* Existing performance indicator.

B. **Cumulative completed investment projects (Table 6)**

NB: Unlike in the business plan reports, the category "investment projects" does not include the Recovery/Recycling TAS projects, nor MeBr demonstration projects.

- A total of 858 investment projects have been completed. Of the US\$ 249,712,286 in their approved UNDP 2004 Progress Report Narrative (16 May 2005)

budgets, 98.1% has already been disbursed. It took an average of 12.9 months from approval to first disbursement and 30.7 months from approval to completion. The overall cost-effectiveness of the projects to the Fund was \$ 6.8 /kg.

- A breakdown of this group of projects is given by region, sector, implementation modality, etc.

C. **Cumulative completed non-investment projects (Table 7)**

- UNDP has completed 252 non-investment projects excluding project preparation assistance. Of the US\$ 36,057,906 in their approved budgets, 99.0% has been disbursed. It took an average of 11.6 months from approval to first disbursement and 35.0 months from approval to completion.
- A breakdown of this group of projects is given by region, type, sector, implementation modality, etc.

D. **Cumulative ongoing investment projects (Table 8)**

- UNDP has 75 ongoing investment projects. Of the US\$ 95,656,105 in approved budgets, 22.7% has already been disbursed. It takes an average of 12.0 months from approval to first disbursement and an average of 39.6 months from approval to project completion. The overall cost-effectiveness of the projects to the Fund was \$8.5/kg.
- A breakdown of this group of projects is given by region, sector, implementation modality, etc.

E. **Cumulative ongoing non-investment projects (Table 9)**

- UNDP has 113 ongoing non-investment projects excluding project preparation assistance. Of the US\$ 19,345,476 in approved budgets, 30.1% has already been disbursed. It takes an average of 10.7 months from approval to first disbursement and 39.4 months from approval to completion.
- A breakdown of this group of projects is given by region, type, sector, implementation modality, etc.

V. **STATUS OF AGREEMENTS AND PROJECT PREPARATION BY COUNTRY**

A. **Agreements To Be Signed/Executed/Finalized And When They Will Be Ready For Disbursing**

Since UNDP has a standard legal agreement in place in each developing country that covers UNDP activities in that country, no additional legal agreement is required. There have, however, been non-technical issues that have caused delays in UNDP project documents being signed, as highlighted below:

- a) Following project approval by the ExCom, often with budgets significantly below those in the original proposal, some enterprises want to reallocate the approved lower budget costs between components (equipment, training, etc.) so that they better meet their needs. Convincing enterprises that such flexibility is not an option takes time since they do not understand MLF rules and procedures
- b) In many projects, the Executive Committee includes a condition (i.e. legislation in place) before the implementation can start. This often results in a delayed start of the activities.
- c) Following project approval, policy issues may surface that cause concern amongst recipient parties, particularly with regard to threats to economic competitiveness, which in turn can cause significant delays in project endorsement and signature.
- d) Some delays result from lengthy Governmental procedural protocols that must be respected

- prior to project document signature. Delays can vary from a few weeks to over a year.
- e) Since recipient enterprises often have to provide part of the project costs as agreed counterpart funding and it often takes months for the recipient enterprises to come up with the required counterpart funds in foreign currency.

B. Project Preparation By Country, Approved Amount And Amount Disbursed (Table 10)

- UNDP Table 10: Project Preparation by Country, Approved Amount and Amount Disbursed, indicates active project preparation accounts. Of the 25 ongoing projects listed with US\$ 451,000 in associated approvals, US\$ 247,976 has been disbursed, with a significant part of the remaining balance already obligated.

VI. ADMINISTRATIVE ISSUES (OPERATIONAL, POLICY, FINANCIAL, OTHER)

A. Meetings Attended by UNDP in 2004

From	To	City	Venue
4-Feb-04	6-Feb-04	Montreal	Interagency Coordination Meeting at the MLF Secretariat
10-Feb-04	23-Feb-04	Brasilia	Government Meeting on National Phase out Plan
14-Feb-04	19-Feb-04	Tehran	Interagency Coordination Meeting on National Phase Out Plan in Iran
8-Mar-04	10-Mar-04	Rabat	Foam Sector LCD negotiation mission in Morocco
11-Mar-04	18-Mar-04	Bogota	Implementation of National Phaseout Plan for Colombia
11-Mar-04	12-Mar-04	Paris	Briefing meeting with new RMP Consultant
12-Mar-04	14-Mar-04	Delhi	Servicing Sector Mission in India (with GTZ, UNEP, Infrac)
14-Mar-04	17-Mar-04	Islamabad	CAP related legislation meeting in Pakistan
22-Mar-04	2-Apr-04	Montreal	Meeting of the Parties and 42nd Meeting of the Executive Committee
5-Apr-04	8-Apr-04	Mexico City	Foam Sector related mission to Monterrey and Mexico City
19-Apr-04	22-Apr-04	Agra	Regional Ozone Network Meeting for South Asia and Southeast Asia and the Pacific
28-Apr-04	30-Apr-04	Colombo	Joint NCAP reformulation mission with UNEP.
30-Apr-04	5-May-04	Djakarta	Project finalization for Malaysia Methyl Bromide
2-May-04	5-May-04	Dhaka	Joint National Phase Out Plan project finalisation meeting with UNEP
3-May-04	5-May-04	Bogota	Meeting with Senior Officials on Montreal Protocol Programme
5-May-04	8-May-04	Colombo	Monitoring of Methyl Bromide projects in Sri Lanka
13-May-04	16-May-04	Jakarta	Discussion with Government on policy measures to control ODS supplies
17-May-04	18-May-04	Niamey	Regional Network Meeting for French-speaking Africa
19-May-04	21-May-04	Delhi	Second Servicing Sector Mission in India (with GTZ, UNEP, Infrac)
24-May-04	27-May-04	Havana	Attend the Methyl Bromide Alternatives Conference
27-May-04	28-May-04	Montreal	Inter-agency Coordination Meeting, Montreal
29-May-04	12-Jun-04	Lebanon	Attend Lebanon ROWA Network Meeting and project implementation work and meeting with MOE on National Plan
31-May-04	4-Jun-04	Paris	UN Agencies Coordination Meeting
21-Jun-04	25-Jun-04	Bamako	Briefing to UNDP Africa Focal points on Montreal Protocol activities
03-Jul-04	18-Jul-04	Brasilia	Preparatory Meeting on Brazil National Plan Implementation & Discussions on DEX Implementation of RFC Plan
3-Jul-04	9-Jul-09	Geneva	43rd Meeting of the Executive Committee
5-Jul-04	9-Jul-09	Geneva	43rd Meeting of the Executive Committee
11-Jul-04	14-Jul-04	Geneva	Open Ended Working Group Meeting
15-Jul-04	17-Jul-04	Geneva	32nd meeting of the Implementation Committee Meeting

From	To	City	Venue
23-Aug-04	28-Aug-04	Freetown	Servicing Sector mission
07-Sep-04	14-Sep-04	Paris	CAP Advisory Meeting
14-Sep-04	18-Sep-04	Colombo	NCAP mission
15-Sep-04	18-Sep-04	Xian	Participation in China Ozone Day and Seminar on Alternatives
20-Sep-04	23-Sep-04	Yangon	Refrigerant Management Plan preparation Mission
26-Sep-04	30-Sep-04	Kathmandu	Refrigerant Management Plan Update preparation
27-Sep-04	30-Sep-04	Brasilia	Preparation of CTC Phase out Plan
30-Sep-04	2-Oct-04	Bangkok	Finalise Nepal Refrigerant Management Plan Update jointly with UNEP and clarify Myanmar to UNIDO for joint submission with UNEP
30-Sep-04	2-Oct-04	San Salvador	Advisory Meetings on MP Projects
3-Oct-04	7-Oct-04	Dhaka	National Phase Out Plan mission
12-Oct-04	14-Oct-04	Montreal	Interagency Coordination Meeting in Montreal
17-Nov-04	19-Nov-04	Prague	33rd meeting of the Implementation Committee Meeting
22-Nov-04	26-Nov-04	Prague	Meeting of the Parties
29-Nov-04	2-Dec-04	Prague	44th Meeting of the Executive Committee
7-Dec-04	10-Dec-04	Tehran	Interagency Coordination Meeting on NPP in Iran
15-Dec-04	22-Dec-04	Brasilia	Meeting with Secretary of Environment on NPOP and Germany's bilateral allocation

B. Other Issues.

There are no specific issues to be mentioned, except that various concerns are expressed by UNDP already in other policy papers that are under consideration at the 45th ExCom meeting (eg on administrative support).

UNDP: COUNTRY DEVELOPMENTS & INSTITUTIONAL STRENGTHENING UNIT HIGHLIGHTS

January - December 2004

N.B. *For section c) “Activities Supported by UNDP Support Costs”, the following general comments can be made for each country included in UNDP’s programme:* UNDP support costs contribute inter alia, to assisting individual countries in meeting their MP obligations. This is done in a routine fashion through the provision of policy advice and information specific to their on-going needs, the end goal being to ensure sustainability of efforts at the national level. It relates to implementation of projects, formulation of new activities, provision of briefings and guidance on MLF decisions, data reporting and discrepancies issues, action plans, monitoring of multi-year agreements and legislative/regulatory support.

Such support is provided through individual contact by phone and e-mail, during missions to countries, during regional network meetings of ozone officers and workshops, ExCom meetings and OEWG and MOPs. UNDP assistance has also been provided on finance related matters, for selection of experts (both national and international), on development of TORs for national and international experts, and in the process of collection of information from the field so as to allow proper response to the MLF Secretariat and ExCom on project and compliance related issues during project review and progress reporting.

UNDP staff, at headquarters and at the field level, play an active part in ensuring that national programmes will comply with a country’s expectations and at the same time with ExCom decisions, formats and eligibility criteria. Monitoring and evaluation of national and sector plans demands time, and requires regular contact with the NOU and technical experts, both national and international, auditing, and periodic review of progress achieved.

REGIONAL AFRICA

a) **Highlights of Project Activities:**

HALONS: The national surveys of installed halon capacities finalised in 2003 were used as the basis to organize national seminars with major national stakeholders. National seminars were held in all 6 participating countries by end 2004. During the seminars, the results of the surveys were presented and the phase-out obligations and schedules explained. Shortly following project launch, the participating countries agreed to renounce the idea of buying and installing recovery and recycling equipment in each country and opted instead to use the recovery and recycling facility that was in the process of being established in Lagos, Nigeria, established through a separate MLF project. National stakeholders will visit the Lagos facility in early 2005, following which individual contracts will be issued for the countries with the Lagos facility, bringing the project to completion in 2005.

FUMIGANTS: In 2004, preparations for technical missions to the 5 low-volume consumers (LVCs) who must achieve 20% reductions (Congo, the Democratic Republic of Congo, Nigeria, Sudan and Swaziland) were ongoing. One technical mission to the Congo was completed in October, with planning ongoing for missions to Nigeria and the Sudan. Difficulty in a) transferring funds for national contracts and b) receiving communication and authorization from the countries concerned, resulted in some delays. DR Congo decided that a detailed and thorough survey was warranted before a technical mission may ensue. Swaziland is addressing the issue of ratification of the Copenhagen Amendment.

Work will be ongoing in 2005.

For the remaining countries, preparation of small-scale national contracts to allow for preparation of policy work on appropriate regulatory mechanisms to reduce and ban imports of MB continued. Terms of reference and budget breakdowns were prepared for all countries. Contracts with some countries were issued in 2004, although again, difficulty in communicating with certain partner countries resulted in delays on issuance of contracts for others.

UNDP maintained systematic and continuous communication with all partner countries by telephone and e-mail, and participated in the regional network meetings hosted by UNEP, including the MB-specific workshops for English and French-speaking African countries held in Zambia and Sénégal, in order to present updates and help advance implementation through direct bilateral contact.

ARGENTINA

- a) **Highlights of Project Activities:** During 2004, one UNDP activity was approved – the fourth funding tranche of the MB elimination project in the tobacco sector – with a value of US \$467,000 and a phaseout target of 16 ODP T. The same project completed activity in its third tranche in 2004 by meeting its phaseout target of 21 ODP T. Six activities remained ongoing in Argentina at the end of 2004: 3 foam sector projects, 2 MB sector tranches and the institutional strengthening project.

In total, Argentina has had a total of 59 UNDP projects funded by the MLF, corresponding to a budget of US\$ 14,917,397 that will eliminate 1599 ODP T per year. By the end of 2004, 89% of these funds have been disbursed. It is worth noting that UNDP plans to develop following future activities in Argentina as part of its 2005 business plan: the fifth funding tranche of the MB elimination project in the tobacco sector, the renewal of the Institutional Strengthening project and, a survey in the HCFC sector.

- b) **Institutional Strengthening Unit:** During 2004 the NOU continued its monitoring of the country's compliance status with the Montreal Protocol through data collection and monitoring of ODS consumption. The license system to control ODS imports and exports is being successfully enforced through starting of activities such as: registration of importers/exporters; assigning quotas for 2005; and issuing of licenses. In addition, Argentina achieved enactment and is enforcing complementary regulation for the compliance with the Montreal Protocol control measures. The NOU also continued implementation activities for on-going projects (investment and non-investment) and development of new ones. Significant progress was also achieved in implementation of MeBr phase out projects in soil fumigation: The Misiones Province was the first Province to be declared as "Free of MeBr". Furthermore, Argentina continued awareness activities, participated in Executive Committee Meetings and in the Extraordinary Meeting of the Parties as well as Regional Meetings for Ozone Officers. Argentina also hosted the policy meeting on MeBr issues.

BAHRAIN

- a) **Highlights of Project Activities:** All activities in Bahrain's commercial refrigeration sector under implementation by UNDP were completed in 2004, resulting in phaseout of 17 ODP T. Project preparation funds approved in 2004 for an RMP Update are expected to result in submission of a project in 2005.

As of the end of 2004, Bahrain has had a total of 6 UNDP projects funded by the MLF, with a corresponding overall budget of US\$ 726,464 that will eliminate 37 ODP T consumption. 86% of

these funds have been disbursed to date.

BANGLADESH

- a) **Highlights of Project Activities:** Project funding for renewal of the IS project and three components of the National Phaseout Plan (NPP) was approved in 2004, with a total budget of US \$285,000 and phaseout impact of 36 ODP T. In addition, a phase of the IS project was completed the same year. At the end of 2004, 7 ongoing activities were in place in Bangladesh: 1 Country Programme Update, the renewal of the IS project, the 3 components of the NPP and ongoing 2 RMP components.

In total, Bangladesh has had a total of 16 UNDP projects funded by the MLF, with a corresponding budget of US \$1,454,245 that will eliminate 173 ODP T per year. 78% of these funds were disbursed as of the end of 2004. UNDP plans to submit a tranche of the NPP as part of its 2005 business plan.

- b) **Institutional Strengthening Unit:** The NOU of Bangladesh continued implementation of its planned activities for 2004. The NOU completed data reporting tasks such as updating the inventory on ozone depleting substances consumed in country during 2003. In addition, the NOU organized a training workshop that benefited about 100 participants who contribute to policy making in Bangladesh (Government officials, NGO staff, journalists etc...) Training workshops were also organized for technicians of the refrigeration sector. As a result of implementation of ODS phase out programming in the country about 600 technicians and 135 customs officers have been trained. Additionally, 6.4 MT R-12 was recovered for a period of 8 months. The NOU also continued closed monitoring of RMP implementation activities, coordination of awareness activities, participation in regional meetings, organization of IAs missions and development of new projects.
- c) **Efforts to support Compliance objectives** – With a consumption of 0.892 ODP tonnes in 2003, Bangladesh appeared to be in potential non-compliance with the control measures for Methyl Chloroform. UNDP is implementing a National Phase Out Plan in Bangladesh that includes activities to assist the country phase out Methyl Chloroform. UNDP assisted assist the country to prepare explanation to the Implementation Committee on the excess of consumption on this substance.

BARBADOS

- a) **Highlights of Project Activities:** Barbados received two project approvals under UNDP implementation in 2004: a MAC – R&R Technical Assistance project and the related RMP Monitoring project, with a total budget of US \$198,761 and a phaseout target of 6 ODP T. UNDP cooperated with UNEP in connection with the preparation of the RMP Update formulation, where one regional expert was engaged by both agencies to cover both the non-investment and investment components of the RMPU. Both projects are under national execution in cooperation with the government and UNDP's Barbados Country Office.

In total, Barbados has had a total of 4 UNDP projects, including one RMPU preparatory project, funded by the MLF, with total corresponding funding of US\$ 221,761 that will eliminate 6 ODP T per year. At the end of 2004, 8% of these funds had been disbursed.

BELIZE

- a) **Highlights of Project Activities:** Project preparation funds were approved in 2004 to fund the formulation of a RMP Update project. The Government of Belize received one project approval under UNDP implementation in 2004: a MAC – R&R Technical Assistance project under the RMPU with a

total budget of US \$44,879 and a phaseout target of 4 ODP T. UNDP cooperated with UNEP in connection with the preparation of the RMP Update formulation, where one regional expert was engaged by both agencies to cover both the non-investment and investment components of the RMPU. This 1 on-going project is under national execution, in cooperation with the government and UNDP's Belize Country Office.

In total, Belize has had a total of 3 UNDP projects funded by the MLF, with a corresponding budget of US \$126,004 that will eliminate 6 ODP T per year. 49% of the total funds approved for UNDP in Belize had been disbursed as of the end of 2004.

- b) **Efforts to support Compliance objectives** – Belize was found to be in non-compliance with CFC in the past. UNDP worked with the Government to assist Belize in addressing their compliance commitments following issues raised by the Implementation Committee. The 33rd meeting of the Implementation Committee noted with appreciation that Belize had met its benchmarks for 2003. This allowed the for approval of Belize's RMP Update by the Executive Committee at its 44th meeting.

BHUTAN

- a) **Highlights of Project Activities:** Project preparation funds were approved in 2004 to allow for the formulation of a project component of Bhutan's RMP. As a result, in total Bhutan has had 1 UNDP activity funded by the MLF with corresponding funding of US \$15,000 that will have 0 ODP T impact. No funds had yet been disbursed at end 2004, but the RMP component project activity is slated for submission as part of UNDP's 2005 business plan.

BOLIVIA

- a) **Highlights of Project Activities:** One UNDP-implemented activity, a foam sector project, was completed in 2004, resulting in phaseout of 5 ODP T. One refrigeration sector project was approved in 2004 with a budget of US \$88,840 and impact of 6 ODP T. At the end of 2004, 2 activities remained ongoing in Bolivia, the afore-mentioned refrigeration sector project and a MB phaseout project.

In total, Bolivia has benefited from 12 UNDP projects funded by the MLF, with a corresponding global budget of US \$779,205 that will eliminate 27 ODP tonnes per year. As at the end of 2004, 80% of these funds had been disbursed. It is worth noting that UNDP plans to develop one future activity in the solvents sector in Bolivia as part of its 2005 business plan.

- b) **Efforts to support Compliance objectives** – Bolivia had been found to be in non-compliance with CFC in the past. In part the result of UNDP implementation of the Terminal Umbrella project, the country was able to report that it was back in compliance with CFC control measures in 2004.

BRAZIL

- a) **Highlights of Project Activities:** During 2004, 6 UNDP activities were completed in Brazil, of which 5 in the foam sector and one in the refrigeration sector, resulting in phaseout of 303 ODP T. In 2004, UNDP received approval of renewal of the IS project with a corresponding budget of US \$351,000, and phase-out impact of 29 ODP T. Five activities remained ongoing in Brazil at the end of 2004: 1 foam sector project, 2 phases of the IS project (completion of ongoing and launch of renewal), and 2 tranches of the National Phase Out Plan.

In total, Brazil has benefited from 187 UNDP projects funded by the MLF, with a corresponding global budget of US \$50,998,054 that will eliminate 7790 ODP T. As at the end of December 2004, 81% of these funds had been disbursed. UNDP plans to develop the following future activities in Brazil as part of its 2005 business plan: the next tranche of the National Phase Out Plan, 1 solvents sector project, 1 chillers sector project and an HCFC sector survey.

- b) **Institutional Strengthening Unit:** Brazil is in compliance with all control measures under the Montreal Protocol. The largest consumption is in the servicing sector for AnnexA(1) substances. From the level of 6,231 ODP tonnes reported in 2001 for Annex A(1) ODS, a reduction down to 3,001 was achieved in 2002. The estimated figures for 2003 are at the same level of 2002 and still about 3,000 ODP tonnes below the agreed targets with the ExCom. under the Plan. Activities approved under the National CFC Phaseout Plan are ongoing and Brazil met the targets in the Agreement with the ExCom and the second tranche was approved late 2003 for 2004 activities. Specific activities in the First Phase Implementation Plan covering the period August 2002 – December 2003 in the refrigeration and air-conditioning service sub-sectors, were delayed as procurement of recovery equipment was halted due to changes required in the legislation, which came only mid 2003. With the resolution of these problems, implementation of activities in the refrigeration and air-conditioning service sub-sectors are now being rapidly progressed. The NOU, assisted by its project implementation unit for the CFC phase-out plan, coordinated the efforts and participated actively in August 2003 at the International Refrigeration, Air-Conditioning, Ventilation, Heating, and Air Quality Fair, Febrava 2003, in São Paulo. A dedicated booth was devoted to promote the National CFC Phase-out Plan. In addition, awareness materials were presented, poster and recovery and recycling equipments displayed, media and conference presentations occurred during this full week international event in the largest city in the country. Celebration of the Ozone Day at federal level with the presence of the Ministry of Environment, and Sao Paulo State Secretary of Environment, was very successful; both events had country wide media coverage. Partnership with Ministry of Health allowed the NOU to prepare and air on national radio messages about the protection of the ozone layer.

BRUNEI DARUSSALEM

- a) **Highlights of Project Activities:** One RMP component project was approved in Brunei Darussalem for UNDP implementation in 2004, with funding of US \$390,000 and a phaseout target of 16 ODP T. As a result, Brunei Darussalem has had a total of 2 UNDP projects funded by the MLF, including one PRP, with corresponding total budget of US \$415,000 that will eliminate 16 ODP T per year. As at the end of 2004, 5% of this total funding had been disbursed.

BURKINA FASO

- a) **Highlights of Project Activities:** At the end of 2003, 2 RMP component projects – R&R project and RMP Monitoring project remained ongoing in Burkina Faso. In total, Burkina Faso has benefited from 2 UNDP projects funded by the MLF, with total funding of US \$148,600 provided to eliminate 3 ODP tonnes per year. As of the end of 2004, 76% of these funds had been disbursed.

BURUNDI

- a) **Highlights of Project Activities:** At the end of 2004, 2 activities remained ongoing in Burundi, both RMP components. In total, Burundi has had a total of 9 UNDP projects funded by the MLF, corresponding to a budget of US\$ 435,671 that will eliminate 40 ODP T per year. 91% of these funds have been disbursed as of the end of 2004.

CAMBODIA

a) **Highlights of Project Activities:** At the end of 2004, one RMP component project remained ongoing in Cambodia. In total, Cambodia has had a total of 3 UNDP projects funded by the MLF, corresponding to a budget of US \$647,500 that will eliminate 20 ODP tonnes per year. 3% of these funds had been disbursed as of the end of 2004.

CAMEROON

c) **Efforts to support Compliance objectives** – With UNDP's assistance through its regional Africa Halon Project, the country has completed a survey on its installed capacity and has put in place a recycling strategy. In 2005, the country will complete a service contract with the recently commissioned halon bank, and control mechanisms will be initiated.

CAPE VERDE

a) **Highlights of Project Activities:** Project preparation funds approved in early 2004 resulted in the formulation of a RMP component project. The RMP component project was approved in 2004 with a corresponding budget of US \$75,400 and a phaseout target of 1 ODP T. The RMP-activities are being coordinated through mutual assistance with UNEP in order to better respond to the country's needs.

In total, Cape Verde has benefited from 2 MLF-funded projects implemented by UNDP, both in the refrigeration sector, with a total budget of US \$99,400 and a total elimination target of 1 ODP T. As at the end of 2004, 18% of these funds had been disbursed.

b) **Efforts to support Compliance objectives** – Cape Verde faces non-compliance with regard to base year and baseline data reporting. UNDP in partnership with UNEP worked in the in the preparation of the CP/RMP, which was approved at the 45th Executive Committee Meeting. UNDP will implement the investment components of the CP/RMP to help the country achieve compliance.

CHAD

a) **Highlights of Project Activities:** During 2004, one UNDP activity in the refrigeration sector (RMP component) remained ongoing. In total, Chad has had a total of 5 UNDP projects funded by the MLF, corresponding to a budget of US \$399,363 that will eliminate 15 ODP tonnes per year. 52% of these funds have been disbursed as of the end of 2003.

CHILE

a) **Highlights of Project Activities:** Project preparation funds approved in 2004 are expected to result on submissions of project proposals in 2005. At the end of 2004, 3 project activities remained ongoing in Chile: 1 solvents sector project, 1 sterilants sector project and the MB elimination project in tree replant and nursery replant. In support of its fumigation sector project, UNDP collaborated closely with the Government of Chile and the World Bank in that agency's efforts to gain approval of a multi-year phaseout to address all remaining consumption of MB in the country and to assist the Government in finalizing the strategy to return to compliance, further to ExCom Decision 43/13. In total, Chile has had a total of 9 UNDP projects funded by the MLF, corresponding to a budget of US\$ 1,578,927 that will eliminate 113 ODP tonnes per year. 71% of these funds had been disbursed as of the end of 2004. It is worth noting that UNDP plans to develop a refrigeration sector project in Chile as part of its 2005 business plan.

- b) **Efforts to support Compliance objectives** – UNDP manages an ongoing project that targets elimination of MeBr in the tree nursery and tree replant sectors. The country nevertheless has experienced a non-compliance problem as a result of an inability to put in place a comprehensive regulatory framework for consumption in the sector. As a result of Decision 43/13, the Government has been working in collaboration with the World Bank, who is proposing as part of its 2005 BP a project to address all remaining uses of MB that will complement UNDP's project, and UNDP to finalise a strategic workplan to demonstrate how it proposes to return to compliance. During 2005, UNDP will continue working with the Government and the World Bank to encourage the adoption of a harmonized comprehensive regulatory framework necessary to ensure a sustainable elimination of MeBr. With regards to the non-compliance on Annex B, Group I and Annex B. Group III, UNDP is assisting Chile to implement a solvent sector phase out plan. While the project started slowly in 2004, a workplan has been agreed and the technical assistance required is going to be provided during 2005.

CHINA

- a) **Highlights of Project Activities:** During 2004, 2 UNDP activities were completed in China, both in the refrigeration sector, resulting in a phaseout of 429 ODP T. In addition, two projects were approved for implementation, the renewal of the IS project and a tranche of the solvents sector phaseout plan. Together, the value of these new approvals totaled US \$5,945,000 and will lead to phaseout of 765 ODP T. At the end of 2004, 6 activities remained ongoing in China including 2 phases of the IS project (previous phase being completed and new phase being launched), as well as 4 tranches of the solvents sector project.

In total, China has had a total of 148 UNDP projects funded by the MLF, with total funding of US 96,955,230 and total phaseout target of 11,254 ODP T. As of the end of 2004, 79% of these funds had been disbursed. It is worth noting that as part of its 2005 business plan, UNDP plans to submit the next tranche of the solvents sector phaseout project to the ExCom.

- b) **Institutional Strengthening:** During 2004 the China NOU advanced its work towards improving policy formulation and enforcement. In particular, it announced to control TCA and MeBr production through quota system issued on May 21, 2004. The NOU also continued to effectively manage implementation of ODS phase-out projects and development of new ones based on country assessed needs. In addition, public awareness campaigns and training workshops were conducted to promote public and industry interest in ozone layer protection .

COLOMBIA

- a) **Highlights of Project Activities:** During 2004, 2 UNDP activities were completed in Colombia, 1 RMP component and one phase of the IS project, which resulted in phaseout of 38 ODP T. At year's end, three activities remained ongoing in Colombia, 1 foam sector project, the IS project and the National Phaseout Plan.

Colombia has had a total of 38 UNDP projects funded by the MLF with a corresponding total budget of US\$ 11,964,437 that will eliminate 1064 ODP tonnes per year. As at the end of 2004, 75% of these funds had been disbursed. It is worth noting that UNDP plans to develop as part of its 2005 business plan the next tranche of the National Phaseout Plan project, the next phase of the IS project and an HCFC sector survey.

- b) **Institutional Strengthening:** During this reporting period the NOU of Colombia has advanced its work towards the implementation of projects such as the UNDP umbrella project (Expumlatex) which is in its completion phases. The foam phase out plan (UNDP project) has progressed and is halfway into its implementation, as well as the WB commercial refrigeration project (Cabarría). Also, the National Country Program was updated and the National Phase Out Plan was approved. The NPP started at the end of 2004. A study was undertaken in collaboration with the National University to collect information on TCC uses and to develop a strategy for its control. Progress has been made in the development of procedures for legal measures to control CFC exports and imports through environmental licensing for different productive sectors in the country. In addition, regular communication channels with other government institutions concerned with the Montreal Protocol has been established. Assistance to the Montreal Protocol and the Latin America Ozone Officer's network meetings continued to be provided as well as public awareness activities including the writing and launching of a publication on 10 years of Montreal Protocol in Colombia.

CONGO, DEMOCRATIC REPUBLIC of (Kinshasa)

- a) **Highlights of Project Activities:** At the end of 2004, 7 UNDP-implemented activities remained ongoing in DR Congo including 6 foam sector projects and 1 RMP component activity. The RMP-activity is being coordinated through mutual assistance with UNEP in order to better respond to the country's needs. In total, DR Congo has had a total of 12 UNDP-implemented projects funded by the MLF with a corresponding global budget of US \$1,797,122 that will eliminate 273 ODP T year. As at the end of 2004, 30% of these funds had been disbursed. It is worth noting that as part of its 2005 business plan, UNDP proposes to develop an additional RMP component activity in collaboration with the Government.

CONGO, PEOPLE'S REPUBLIC of (Brazzaville)

- a) **Highlights of Project Activities:** At the end of 2004, one UNDP-implemented activity remained ongoing in PR Congo, a RMP component with a value of US \$118,078 and a phaseout objective of 3 ODP T. The RMP activity is being coordinated through mutual assistance with UNEP in order to better respond to the country's needs. In total, PR Congo has had a total of 4 UNDP projects funded by the MLF, corresponding to a global budget of US \$345,398 that will eliminate 22 ODP T per year. At the end of 2004, 66% of these funds had been disbursed.
- b) **Efforts to support Compliance objectives -** PR Congo is participating in the UNDP-managed Regional Africa MB project that aims to provide assistance to low-volume African consumers of MB. PR Congo is one of 5 countries that must achieve a 20% phase-out by 2005 under the terms of the project. The project is under implementation. A comprehensive national sectoral survey has been completed in PR Congo and MB uses have been identified. A two-track implementation approach – technical assistance and regulatory support – has been adopted. A technical mission was organized in October 2004, and a subsequent regulatory mission, undertaken by a regional pesticides regulatory expert, will be undertaken in early 2005. As a result of project activities, PR Congo is working to meet its 20% reduction target and thereby achieve its 2005 compliance objective.

COSTA RICA

- a) **Highlights of Project Activities:** During 2004, a phase of Costa Rica's IS project was completed and 1 new approval was secured: the second and third tranches of the MB elimination project, totaling US \$1,938,114, with phaseout impact of 131 ODP T. Nine activities remained ongoing in Costa Rica at the end of 2004: the IS project, 2 tranches of the MB elimination project and 6 RMP component

activities.

To date, Costa Rica has benefited from a total of 29 UNDP-implemented projects funded by the MLF, with a corresponding global budget of US \$6,467,673 that will eliminate 374 ODP T per year. At the end of 2004, 54% of these funds had been disbursed. It is worth noting that UNDP plans to develop following future activities in Costa Rica as part of its 2005 business plan: the following tranche of the MB elimination project and the next phase of the IS project.

- c) **Institutional Strengthening:** During 2003, the public awareness campaigns including the Mobile Air Conditioning sub sector continued through TV, radio, newspapers, and public presentations. The NOU also created a data collection registry, organized training sessions to technicians in refrigeration and participated in the preparation of the Refrigerant Management Plan approved at the 41st Executive Committee Meeting.

CUBA

- a) **Highlights of Project Activities:** During 2004, one UNDP activity, a phase of the IS project, was completed in Cuba. Three activities remained ongoing in Cuba at the end of 2004, 1 aerosol project, the MDI project and the ongoing IS project phase. In total, Cuba has had 14 UNDP-implemented projects funded by the MLF, with corresponding total budget of US \$7,053,865 that will eliminate 201 ODP T per year. At the end of 2004, 14% of these funds had been disbursed. It is worth noting that as part of its 2005 business plan, UNDP intends to develop the next tranche of the MDI sector project, as well as the renewal of the IS project and a new solvents sector project.
- c) **Institutional Strengthening Unit:** The implementation of the import licensing and quota system has continued successfully in 2003. The NOU actively participated in the preparation of the MDI conversion project formulated by UND and approve at the 41st Executive Committee Meeting. This project will eliminate 109 ODP tones of CFC. In addition, the NOU also participated in the preparation of the National phase out plan. Country is likely to comply with the measures on Methyl Bromide in 2005. The NOU continued implementation of a National Public Awareness Campaign through TV spots, newspaper clips, posters, calendars, and public presentations has continued all year round.

DJIBOUTI

- a) **Highlights of Project Activities:** At the end of 2004, there were two activities that remained ongoing in Djibouti, both RMP components. In total, Djibouti has had a total of 3 UNDP projects funded by the MLF, corresponding to a budget of US \$176,463 that will eliminate 6 ODP T per year. By the end of 2004, 50% of these funds had been disbursed.

DOMINICA

- a) **Highlights of Project Activities:** UNDP, working in collaboration with UNEP and the Government of Dominica, plans to develop RMP component activities as part of its 2005 business plan.

DOMINICAN REPUBLIC

- a) **Highlights of Project Activities:** Project preparation funds approved in 2004 are expected to result in submission of a project and approval in early 2005. At the end of 2004, one halon bank management project remained ongoing in the Dominican Republic. To date, the Dominican Republic has benefited from 20 UNDP-implemented projects funded by the MLF, with global funding amounting to US \$1,995,072 and a global phaseout target of 192 ODP T. By the end of 2004, 98% of these funds had been disbursed. It is worth noting that UNDP plans to submit a National CFC Phaseout Plan for the Dominican Republic as part of its 2005 business plan.

EGYPT

- a) **Highlights of Project Activities:** During 2004, one foam sector activity implemented by UNDP was completed in Egypt, resulting in phaseout of 319 ODP T. This leaves one ongoing activity under implementation by UNDP in Egypt: the halon management plan that is under national execution. In total, Egypt has benefited from 38 UNDP projects funded by the MLF, corresponding to a budget of US\$ 13,453,447 that will eliminate 2,423 ODP T per year. At the end of 2004, 98% of these funds had been disbursed.

EL-SALVADOR

- a) **Highlights of Project Activities:** Three RMP component activities with total funding of US \$350,000 and total phaseout impact of 56 ODP T were approved for UNDP implementation in 2004. These 3 activities – the R&R project, the RMP Monitoring project and a training component – were the only UNDP projects ongoing at year's end. In total, El Salvador has had 9 UNDP projects funded by the MLF with global funding of US \$1,103,867 that will eliminate 114 ODP T per year. At the end of 2004, 68% of these funds had been disbursed.

FIJI

- a) **Highlights of Project Activities:** Fiji has had one UNDP-implemented project funded by the MLF, whose total value was US \$96,755 and whose impact was 5 ODP T per year. 94% of these funds have been disbursed as of the end of 2004. As part of its 2005 business plan, it is worth noting that UNDP plans to develop a TPMP that, given Fiji's low-volume consuming status, will address both the CFC and MB sectors.

GABON

- a) **Highlights of Project Activities:** Two RMP component activities remained ongoing under UNDP implementation in Gabon in 2004. The implementation of the RMP activities is coordinated through mutual assistance with UNEP in order to better respond to the country's needs. In total, Gabon has benefited from 6 UNDP projects funded by the MLF that have seen US \$306,546 disbursed in support of elimination of 14 ODP T. At the end of 2004, 75% of these funds had been disbursed.

GEORGIA

- a) **Highlights of Project Activities:** At the end of 2004, 2 RMP-related activities remained ongoing under UNDP implementation in Georgia. To date, Georgia has had a total of 3 UNDP projects funded by the MLF, with global funding of US \$221,752 approved to eliminate 6 ODP T. At the end of 2004, 75% of these funds had been disbursed. As part of its 2005 business plan, UNDP

intends to submit a request for preparatory funding for additional work under the Georgia RMP.

GHANA

- a) **Highlights of Project Activities:** During 2004, 1 UNDP activity, a phase of the IS project, was completed in Ghana and two new activities, the next phase of the IS project and a solvents sector project, with funding value of US \$159,100 were approved for implementation. As a result, 5 activities remained ongoing for UNDP in Ghana at the end of 2004 including: 2 RMP component activities, 1 fumigation sector project, the solvent sector project and the IS project.

In total, Ghana has had a total of 16 UNDP projects funded by the MLF with total funding of US \$1,938, 132 approved to eliminate 388 ODP T consumption. At the end of 2004, 81% of these total funds had been disbursed. UNDP plans to develop an RMP update component activity as part of its 2005 business plan.

- b) **Institutional Strengthening Unit:** The 43rd meeting of the Executive Committee approved a 2-year extension for the Institutional Strengthening project of Ghana. During 2004, the NOU continued its efforts to ensure compliance with Montreal Protocol and in particular, towards achieving CFC 50% reduction measure in 2005. In order to ensure successful implementation of projects that contribute to Ghana's meeting compliance targets, the NOU has continued its coordination efforts through: training workshops for beneficiaries in the refrigeration and MeBr sectors, monitoring of foams factories. In addition it has continued monitoring of the implementation of Regulations and Fiscal policies on ODS importation and use.

GRENADA

- a) **Highlights of Project Activities:** Grenada has benefited from a total of 1 MLF project implemented by UNDP, a recovery & recycling programme of US \$33,400 within the context of the RMP project. The project, that was operationally completed in 2002, eliminated 1 ODP T consumption. At end 2004, all funds had been disbursed.

As part of its 2005 business plan, UNDP plans to cooperate with UNEP and the Government of Grenada in developing activities for consideration as part of the country's RMP Update exercise.

GUATEMALA

- a) **Highlights of Project Activities:** Guatemala has benefited from 7 MLF funded project implemented by UNDP. The total value of funding received was US \$937,038 and 81 ODP T were eliminated. All funds had been disbursed by end 2004. UNDP plans to develop a solvent sector project with the Government of Guatemala as part of its 2005 business plan.

GUINEA-BISSAU

- a) **Highlights of Project Activities:** An RMP component activity was approved for Guinea-Bissau under UNDP implementation in 2004, with funding of US \$282,900 and a phaseout target of 9 ODP T. This project is the only ongoing project that UNDP manages in Guinea-Bissau.

In total, Guinea-Bissau has had a total of 2 UNDP implemented projects funded by the MLF. The total funding received to implement these activities in US \$307,900 and the total phaseout impact will be 9 ODP T. At the end of 2004, 6% of these funds had been disbursed.

- b) **Efforts to support Compliance objectives** – Guinea Bissau faces non-compliance with regard to base year and baseline data reporting. UNDP is working in partnership with UNEP in the implementation of the CP/RMP. UNDP will implement the investment components of the CP/RMP.

GUINEA-CONAKRY

- a) **Highlights of Project Activities:** Project preparation funds of US \$20,000 were approved in 2004 to allow for the formulation of RMP component activities. This is the only activity managed by UNDP in Guinea-Conakry at this time and no phaseout impact is called for. At the end of 2004, 76% of these funds had been disbursed. UNDP plans to finalise an RMP component activity for submission as part of its 2005 business plan.

HAITI

- a) **Highlights of Project Activities:** Two RMP components activities, a recovery & recycling programme and the monitoring of the RMP project, were approved for UNDP implementation in Haiti in 2003 with a phaseout target of 14 ODP T. At the end of 2004, these two activities remained the only ongoing projects under UNDP execution in Haiti. The activities are being coordinated through mutual assistance with UNEP in order to better respond to the country's needs however, political instability over the year hindered implementation significantly.

In total, Haiti has had a total of 3 UNDP projects funded by the MLF, including the RMP preparatory activity, with a corresponding global budget of US \$264,656 and total phaseout impact of 14 ODP T. At the end of 2004, 12% of these funds had been disbursed.

HONDURAS

- a) **Highlights of Project Activities:** In 2004, an RMP component activity for UNDP implementation was approved for Honduras with total funding of US \$150,000 and a phaseout target of 16 ODP T, It is the only ongoing project under UNDP implementation in Honduras.

In total, Honduras has benefited from 2 UNDP projects funded by the MLF, with total funding of US \$165,000 approved to eliminate 16 ODP T. By the end of 2004 8% of these funds had been disbursed.

INDIA

- a) **Highlights of Project Activities:** During 2004, 14 UNDP implemented activities were completed in India including 1 aerosol sector project, 11 foam sector projects, a phase of the IS Project and a phase of the phaseout plan (foam). This resulted in phaseout of 481 ODP T. In addition, 4 new projects were approved in 2004: the next tranche of the National phaseout plan (foam) and 3 tranches of the refrigeration sector phaseout plan. The total value of the new approvals was US \$2,304,250 and the total phaseout impact is of 600 ODP T.

At the end of 2004, 13 activities remained ongoing under UNDP implementation in India including: 2 aerosol projects, the MDI project, a halon project, the Country Programme update, the IS project, 2 tranches of the national phaseout plan (foam) and 5 tranches of the refrigeration sector phaseout plan. In total, India has had a total of 206 projects implemented by UNDP with MLF funding. The total value of UNDP's MLF India portfolio has been US \$39,060,747, with corresponding phaseout impact of 6249 ODP T. At the end of 2004, 77% of these funds had been disbursed.

As part of its 2005 business plan, UNDP plans to develop the following future activities in India: the next phase of the IS project, a survey of the HCFC sector and the next tranche of the Phaseout plan.

- b) **Institutional Strengthening:** The Ozone Unit finalized guidelines on import/export of ODS, coordinated preparation, submission and approval of CTC Phase-out Plan and Refrigeration Servicing Plan. The Ozone Unit played a key role in the technical, policy and regulatory aspects related to implementation of the country's ODS phase-out efforts, including implementation of public awareness campaigns, drafting and following-up on enactment of legislative measures, data reporting activities, setting a coordinating role for ongoing and future individual and sectoral MLF activities in India. Many efforts were made to coordinate the activities of the various implementing agencies active in India, resulting in the implementation of various sector plans covering both the consumption and production sector. As in previous years, India actively participated in various Montreal Protocol related meetings during 2003, including the ExCom, various UNEP Network and CAP meetings and the Meeting of the Parties. A two-year extension of India's Institutional Strengthening Phase 5 project was approved at the 41st Meeting of the ExCom.
- c) **Efforts to support Compliance objectives** – India faces non-compliance with regard to base year and baseline data reporting in the MeBr sector. With the support of UNDP, India's IS agency, India ratified the Copenhagen Amendment and a MB data survey was launched.

INDONESIA

- a) **Highlights of Project Activities:** During 2003, 3 UNDP activities were completed in Indonesia (1 INS, 2 tranches REF plan) which resulted in a phaseout of 150 ODP T. There were 3 non-PRP approvals for UNDP in Indonesia in 2004 (2 aerosol sector and 1 REF tranche) with a budget of US \$2,486,000 that will lead to a phaseout of 680 ODP tonnes. As a result, there were 7 ongoing activities under UNDP implementation in Indonesia at the end of 2004: 5 REF plan tranches, 1 IS project phase and 1 aerosol sector project). Indonesia has had a total of 67 UNDP projects funded by the MLF, with corresponding global funding of US \$17,263,555 that will eliminate 1907 ODP tonnes per year. 52% of these funds had been disbursed as of the end of 2004. It is worth noting that UNDP plans to develop the following future activities in Indonesia as part of its 2005 business plan: the next tranche of the phaseout plan and a survey in the HCFC sector.
- b) **Institutional Strengthening:** The Ozone Unit facilitated the establishment of Steering Committee and Technical Committee for Ozone Layer Protection and organized major meetings for the Committees and other stakeholders. Ozone Unit effectively supported and monitored implementation of on-going ODS phase-out projects and sector phase-out plans by collaborating closely with implementing agencies. Effective coordination activities were undertaken to ensure successful and timely implementation of the approved sector phase-out plans and the related legislative and policy measures. Training workshops and public awareness campaigns were conducted in 11 major cities/provinces, essay contest, stamp camp and painting competition were also organized. Stakeholder meetings and group workshops were organized to promote hydrocarbon.

IRAN

- a) **Highlights of Project Activities:** During 2004, 13 UNDP activities were completed in Iran, 1 in the foam sector and 12 in the refrigeration sector, which resulted in a phaseout of 225 ODP T. In addition, 2 new projects were approved in 2004, the next phase of the IS project and a tranche of the phaseout plan (foam), with corresponding budget of US \$856,755 and total phaseout impact of 7

ODP T expected. As a result, there were 4 activities ongoing in Iran at the end of 2004: 1 REF, 1 tranche of the phaseout plan and 2 IS phases. Iran has had a total of 69 UNDP implemented projects funded by the MLF, with corresponding global funding of US \$12,266,294 that will have phaseout impact of 953 ODP T. As of the end of 2004, 87% of these funds had been disbursed.

It is worth noting that UNDP plans to develop the following future activities in Iran as part of its 2005 business plan: the next phase of the IS project and a survey of the IS project.

- b) **Institutional Strengthening Unit:** The Ozone Office continued effective monitoring on implementation of individual projects in close coordination with Implementing Agencies. Ozone Office worked closely with IAs and bilateral in the preparation and submission of the National Phase-out Plan and the Country Programme Update, both were approved at the 41st ExCom Meeting. Seminar and workshops on public awareness campaigns were conducted to promote public and industrial interest on ozone layer protection. The Beijing Amendment was put into approval process and import of equipment containing CFC-11 and CFC-12 was banned. Iran ozone network was partially established. Some preparatory work for MDI replacement was undertaken. Halon Management work plan was prepared and finalized by the Halon Action Group; national methyl bromide and Licensing System workshops were held and comprehensive Legislation Plan drafted.

JAMAICA

- a) **Highlights of Project Activities:** In 2004 a solvents sector technical assistance project was approved with funding of US \$25,000. At the of 2004, 2 projects remained ongoing in Jamaica under UNDP implementation: the end-user project under the TPMP and the solvents sector TAS project. Jamaica has had a total of 8 UNDP projects funded by the MLF, with corresponding global funding of US \$990,915 that will eliminate 101 ODP T. As of the end of 2004, 87% of these funds had been disbursed.

KENYA

- a) **Highlights of Project Activities:** During 2004, 1 UNDP implemented activity, a phase of the IS project, was completed in Kenya. Project preparation funds were also approved to allow for the formulation of a solvents sector project, expected for submission in 2005. In addition, the second tranche of the fumigation sector project (cut flowers) was approved, bringing new funding approvals in 2004 to US \$458,063. As a result, 3 activities were ongoing under UNDP implementation in Kenya at the end of 2004: 2 phases of the fumigation sector project and a phase of the IS project. Kenya has had a total of 11 UNDP projects funded by the MLF, with corresponding global funding of US\$ 1,606,306 and project phaseout impact of 10 ODP T. By the end of 2004, 44% of these funds had been disbursed.

As part of its 2005 business plan, UNDP plans to develop a solvents sector technical assistance project for submission.

- b) **Institutional Strengthening Unit:** During this reporting period the NOU has focused its efforts on various activities that would enable Kenya to meet its obligations under the Montreal Protocol. As a result of successful implementation of the MeBr investment project, more than 10 tonnes of methyl bromide reduction has been achieved. The Kenya Power and Lighting Company has adopted the use of ozone friendly alternatives leading to phase out methyl chloroform and carbon tetrachloride. The NOU has also continued to assess Kenya's needs for new projects and has participated in their development. In addition, awareness activities that contribute to better understanding of ODS and alternatives from the

general public and various stakeholders were conducted.

KYRGYZSTAN

- a) **Highlights of Project Activities:** At the end of 2004 there were 3 ongoing activities in Kyrgyzstan under UNDP implementation: 2 components of the RMP and the MB technical assistance project. To date, Kyrgyzstan has had a total of 4 UNDP projects funded by the MLF, with corresponding global funding of US\$688,917 and expected phaseout of 25 ODP T. At the end of 2004 36% of these funds had been disbursed.

UNDP plans, as part of its 2005 business plan, to submit a request for preparatory funding in order to allow the Government of Kyrgyzstan to initiate the formulation of an RMP Update.

LAOS

- a) **Highlights of Project Activities:** One UNDP implemented activity, a foam sector project, was completed in Laos in 2004 resulting in phaseout of 16 ODP T. In addition, a foam sector project with a budget of US \$184,660 and a phaseout target of 12 ODP T was approved for UNDP implementation in 2004. This is the only ongoing project implemented by UNDP in Laos at present.

To date, Laos has benefited from 4 UNDP projects funded by the MLF, with corresponding global funding of US \$349,003 and a global phaseout target of 28 ODP T. At the end of 2004 43% of these funds had been disbursed. UNDP plans, as part of its 2005 business plan, to prepare a foam sector project for submission.

LEBANON

- a) **Highlights of Project Activities:** During 2004, 6 UNDP activities were completed in Lebanon: 2 tranches of the MB elimination project (vegetables, cut flowers, tobacco), 3 aerosol sector projects and a phase of the IS project. This resulted in phaseout of 230 ODP. UNDP secured three new project approvals for the Government of Lebanon in 2004 including: the next phase of the IS project, a tranche of the MB elimination project and the first tranche of the National Phaseout Management Plan (NPMP). The funding approved in 2004 was US \$1,616,510, which is expected to result in phaseout of 91 ODP T.

At the end of 2004, 4 activities remained ongoing in Lebanon under UNDP implementation: the IS project, 2 tranches of the MB elimination project and the first phase of the NPMP. In total, Lebanon has benefited from 22 UNDP implemented projects funded by the MLF, with corresponding global funding of US \$5,298,698 and a phaseout impact of 395 ODP T. At the end of 2004, 56% of these funds had been disbursed. UNDP plans to submit, as part of its 2005 business plan, a request for disbursement of final funding tranche of the MB project, the second tranche of the NPMP and a survey of the HCFC sector.

- b) **Institutional Strengthening:** During this reporting period, the Ozone Unit of Lebanon continued its monitoring, data collection, programme implementation and awareness activities. Some of the activities to be highlighted for 2004 are: preparation of the legal documentation for the ratification of the Beijing amendment; monitoring and supporting the entering into force of the ODS licensing system; management of the implementation of the country programme update; constructing the Halon Bank Management Plan; implementation of various awareness activities as well as participation in regional/international meetings as Lebanon's representatives.

- c) **Efforts to support Compliance objectives** – Further to submission of a request for change in baseline data to the Ozone Secretariat by the Government of Lebanon in April 2001, acknowledged by the Ozone Secretariat, the Government did not note the requirement to complement the request with submission of revised A7 data reporting forms for the years in question (1995 – 2000). Since approval of two terminal phase-out investment projects in the MB sector in July 2001, the Government has been working to eliminate its MB consumption against the reduction schedule contained in the Agreed Conditions that governs the projects, a reduction schedule that was based on the revised baseline data that the Government believed had been accepted by the Ozone Secretariat in 2001. Upon reviewing Lebanon's submission of 2002 A7 data, the Ozone Secretariat noted that the country was in potential non-compliance, given that the 2001 request for change in baseline data had not been officially recorded in the Ozone Secretariat's database and advised Lebanon that, in accordance with Decision XV/19, 'Methodology for submission of requests for revision of baseline data', an updated request for change in baseline data had to be submitted to the Implementation Committee. In 2004, UNDP worked with the Government of Lebanon to prepare the Government's submission to the Implementation Committee. The Government of Lebanon presented its case to the 32nd Meeting of the Implementation Committee and was asked to return to the 33rd meeting with additional survey data that had been compiled during preparation of the investment projects. Upon submission of this additional information, the Government's request for change in MB baseline data was accepted by the 33rd Meeting of the Implementation Committee.

LIBYA

- a) **Highlights of Project Activities:** At the end of 2004, the 9 activities remained ongoing in Libya under UNDP implementation, all in the foam sector. In total, Libya has had 14 UNDP projects funded by the MLF, with corresponding global funding of US \$1,581,956 and phaseout impact of 313 ODP T. At the end of 2004 63% of these funds had been disbursed.

MALAWI

- a) **Highlights of Project Activities:** In 2004, 3 UNDP implemented activities were completed in Malawi including a foam sector project and two tranches of the MB elimination project (tobacco). This resulted in phaseout of 95 ODP T. One new approval, the disbursement of the final tranche of funding under the multi-year MB elimination project in the tobacco sector was approved in 2004, with US \$849,824 approved to phaseout 30 ODP T. This remained the only ongoing project under UNDP implementation at the end of 2004.

In total, Malawi has benefited from 11 UNDP projects funded by the MLF, with corresponding global funding of US \$3,326,833 and global phaseout impact of 151 ODP T. At the end of 2004 743 of these funds had been disbursed.

MALAYSIA

- a) **Highlights of Project Activities:** Two projects, a renewal of the IS project and a technical assistance project in the fumigation sector, were approved for implementation by UNDP in Malaysia in 2004 with corresponding funding of US \$479,500 and phaseout impact of 32 ODP T. At year's end, 5 activities remained ongoing: an aerosol sector project, the MB demonstration project, the MB TAS project and 2 phases of the IS project.

In total, Malaysia has had 97 UNDP implemented projects funded by the MLF, with total funding of

US \$21,364,361 provided to eliminate 2,946 ODP T. 95% of these funds had been disbursed as of the end of 2004. UNDP plans to submit a survey of the HCFC sector in Malaysia as part of its 2005 business plan.

- b) **Institutional Strengthening:** Phase VI of the Institutional Strengthening project enabled the NOU to continue its enforcement and monitoring visits to the premises of enterprises (more than 80 visits) to ensure Malaysia's compliance. In addition, significant outcomes were achieved: Cabinet approved amendment to the Environment Quality Refrigerant Management regulations on September 2004; 50 of chiller owners have installed R&R devices and have attended training workshops; completion of various Aerosol and Foams projects; increase in the level of awareness of stakeholders and general public as a result of continuous awareness activities.
- c) **Efforts to support Compliance objectives** – In finalizing an ongoing MB demonstration project and securing approval for implementation of a terminal project for all remaining uses in the same sector (approved ExCom 41), UNDP was able to work with the Government of Malaysia to analyse and correctly interpret the MB data that the country had been reporting. It was discovered that recent reporting included QPS uses, as these can be confusing to separate for non-QPS use. UNDP continues to assist Malaysia in clarifying and reporting the reasons for this data discrepancy, as called for by Decision 41/16.

MALDIVES

- a) **Highlights of Project Activities:** At the end of 2004, the RMP component activity remained ongoing under UNDP implementation in the Maldives. In total, the Maldives has had 1 UNDP project funded by the MLF, with a total budget of US \$115,000 that will eliminate 4 ODP T. 18% of the funds had been disbursed at the end of 2004.
- b) **Efforts to support Compliance objectives** – The Maldives was found to be in non-compliance with CFC in the past. Following assistance provided by UNDP through implementation of RMP activities, the 33rd meeting of the Implementation Committee noted with appreciation that Maldives had met its benchmarks for 2003.

MALI

- a) **Highlights of Project Activities:** At the end of 2004, the RMP component activity remained ongoing under UNDP implementation in Mali. Mali has had a total of 2 UNDP projects funded by the MLF, with a corresponding global budget of US \$118,113 that will eliminate 6 ODP T. At the end of 2004, 90% of these funds had been disbursed. UNDP plans to submit a component of Mali's RMP Update as part of its 2005 business plan.

MAURITANIA

- a) **Highlights of Project Activities:** At the end of 2004, two RMP component activities remained ongoing under UNDP implementation in Mauritania. Mauritania has had a total of 3 UNDP projects funded by the MLF, with US \$215,995 approved to eliminate 5 ODP T. At the end of 2004 5% of these funds had been disbursed.

MEXICO

- a) **Highlights of Project Activities:** During 2004, 1 UNDP activity, a foam sector project, was completed in Mexico. This resulted in a phaseout of 145 ODP T. A new foam sector project was approved for UNDP implementation in 2004 with a budget of US \$1,109,120 and phaseout impact of 192 ODP T. At the end of 2004 three activities remained ongoing in Mexico: the MB demonstration project, 1 foam sector project and the halon project. In total, Mexico has had 54 UNDP projects funded by the MLF, with corresponding global funding of US\$ 19,398,643 that will eliminate 2879 ODP T. At the end of 2004 92% of these funds had been disbursed.

It is worth noting that UNDP plans to develop an HCFC sector survey as part of its 2005 business plan.

MOLDOVA

- a) **Highlights of Project Activities:** One RMP component activity was approved for UNDP implementation in Moldova in 2004, with funding of US \$173,495 expected to result in phaseout of 7 ODP T. This is the only ongoing activity under implementation by UNDP in Moldova. In total, Moldova has had 3 UNDP projects funded by the MLF, with corresponding global funding of US \$452,341 that will eliminate 29 ODP T. At the end of 2004 60% of these funds had been disbursed.

MONGOLIA

- a) **Highlights of Project Activities:** During 2004, one UNDP implemented activity, a RMP component activity, was completed in Mongolia which resulted in phaseout of 6 ODP T. In total, Mongolia has had 2 UNDP projects funded by the MLF, with corresponding global funding of US \$133,600 and phaseout impact of 6 ODP T. At the end of 98% of these funds had been disbursed.

MOZAMBIQUE

- a) **Efforts to support Compliance objectives** – At the time of approval of UNDP's regional Africa project Mozambique's methyl bromide consumption was negligible. Recently however, consumption has resumed following stabilization post the severe floods, specifically in the tobacco production sector. In order to assist Mozambique, UNDP is providing policy and consumption survey assistance through its regional Africa MB project and, through liaison with a large-scale MeBr elimination project in Malawi, will sponsor a study tour for Mozambique tobacco growers in Malawi that have phased-out consumption.

NEPAL

- a) **Highlights of Project Activities:** One project, a RMP component activity, was approved in Nepal for UNDP implementation in 2004, with a corresponding budget of US \$57,495. At the end of the year 2 activities, both RMP component activities, remained ongoing under UNDP implementation. Nepal has had a total of 6 UNDP projects funded by the MLF, with corresponding global funding of US \$189,965 provided to eliminate 6 ODP T. At the end of 2004 63% of these funds had been disbursed.

NICARAGUA

- a) **Highlights of Project Activities:** Project preparation funds were approved in 2004 which are

expected to result in project submission in 2005. In total, Nicaragua has had 2 UNDP projects funded by the MLF, resulting in US \$45,000 provided for PRP purposes. 6% of these funds had been disbursed as of the end of 2004.

It is worth noting that UNDP plans to submit the following activities in Nicaragua as part of its 2005 business plan: 1 RMP and 1 aerosol sector project.

NIGER

- a) **Highlights of Project Activities:** During 2004, 1 UNDP RMP activity was completed in Niger. In total, Niger has had 4 UNDP projects funded by the MLF, with related funding of US \$121,312 provided to eliminate 6 ODP T consumption. At the end of 2004, 97% of the funds had been disbursed.

NIGERIA

- a) **Highlights of Project Activities:** During 2003, 3 UNDP implemented activities were completed in Nigeria, all in the foam sector, resulting in a phaseout of 70 ODP T. A new tranche of the National Phaseout Plan was approved with a budget of US \$2,077,141 and a phaseout target of 851 ODP T. There were 5 ongoing activities in Nigeria under UNDP implementation at the end of 2004: 3 tranches of the Phase Out Plan, the Country Programme update exercise and the IS project.

In total, Nigeria has had 72 UNDP projects funded by the MLF, with total funding of US \$19,737,764 approved to eliminate 3421 ODP T consumption. At the end of 2004 47% of these funds had been disbursed. UNDP plans to submit the subsequent tranche of the National Phaseout Plan, as well as the request for renewal of the IS project as part of its 2005 business plan.

- b) **Institutional Strengthening Unit:** The Ozone Unit is fully staffed and operational and is actively coordinating the national ODS elimination effort. Following activities undertaken in 2003 should be highlighted: introduction of import restrictions for old equipment that depends on CFCs; preparation of the Country Programme Update; creation of Nigeria's Ozone Website; organization of national 'International Ozone Day' celebrations; Ozonoutreach on Radio programme and, participation in development of a regional UNDP programme to prevent the expansion of MeBr use in LVCs in Africa. A two-year extension of the IS Project was approved in July 2003.
- c) **Efforts to support Compliance objectives** – UNDP noted that gaps exist in data reporting for the following: Annex A (1986), Annex B (1989) and Annex C (1989). UNDP is working to assist the country in addressing these discrepancies and in reporting them to the Ozone Secretariat.

PAKISTAN

- a) **Highlights of Project Activities:** During 2004, a phase of the IS project was completed. At year's end therefore, only one activity, the ongoing IS project phase, remained under implementation.

In total, Pakistan has had 3 UNDP projects funded by the MLF, corresponding to a budget of US \$652,091 that will eliminate 19 ODP T. 65% of these funds had been disbursed as of the end of 2004. As part of its 2005 business plan UNDP intends to submit a request for renewal of the IS project for Pakistan.

- b) **Institutional Strengthening Unit:** The Ozone Unit is staffed and operational and is in the process of coordinating on-going UNIDO and World Bank programmes in the country. A two-year extension of the IS Project was approved in Dec 2004 for which an extensive progress report was prepared listing an impressive number of activities, a small sample of which is reproduced herewith: processed cases for exemption from taxes & duties on import of Ozone friendly equipment, coordinated with the World Bank for CP-Update, and with UNIDO for the RMP, awarded contract for Billboards installed at various cities, printed & distributed Ozone related Calendars, Hand Diaries, Flyers, Posters and Broachers, published advertisement in the newspapers for public awareness, initiated ratification of Montreal Amendment (1997) and Beijing Amendment (1991), Ministry of commerce has been requested to introduce Import Licensing System, held CAP-related inter-agency meeting, etc.
- c) **Efforts to support Compliance objectives** – UNDP noted the discrepancy in consumption data in the halon sector and is endeavouring, through its management of the IS project, to lend support to UNIDO, the agency working with the country in this sector.

PANAMA

- a) **Highlights of Project Activities:** One new project, a national phaseout plan, was approved for implementation by UNDP in Panama in 2004. The first tranche disbursement was secured in 2004 with a budget of US \$250,152. This is the only ongoing project under UNDP implementation in Panama.

In total, Panama has had 8 UNDP projects funded by the MLF, with corresponding global funds of US \$747,202 approved to eliminate 59 ODP T. At the end of 2004 66% of these funds had been disbursed.

It is worth noting that UNDP plans to submit a request for disbursement of the next tranche of the Phaseout Plan as part of its 2005 business plan.

PARAGUAY

- a) **Highlights of Project Activities:** During 2004 UNDP completed 1 activity, a component of the RMP, in Paraguay. This resulted in phaseout of 23 ODP T. One activity remained ongoing in Paraguay's refrigeration sector at the end of 2004. In total, Paraguay has had 6 UNDP projects funded by the MLF, with funding of US \$1,052,929 provided to eliminate 88 ODP T consumption. At the end of 2004 95% of these funds had been disbursed.

As part of its 2005 business plan UNDP intends to submit a solvent sector project for Paraguay as well as a request for preparatory funding required to launch the RMP Update.

PERU

- a) **Highlights of Project Activities:** One fumigation sector project was completed in Peru in 2004, resulting in phaseout of 4 ODP T. One RMP component activity was approved in 2004 with a budget of US \$123,000 and phaseout impact of 17 ODP T. At the end of 2004, 2 activities remained ongoing in Peru, the RMP component and a project in the foam sector. In total, Peru has had 21 UNDP projects funded by the MLF, with funding of US \$3,796,422 provided to eliminate 273 ODP T. At the end of 2004, 95% of these funds had been disbursed.

RWANDA

- a) **Highlights of Project Activities:** At the end of 2004 a RMP component activity remained ongoing under UNDP implementation in Rwanda and no new projects were approved. In total, Rwanda has had 3 UNDP projects funded by the MLF, with funding of US \$138,758 provided to eliminate 3 ODP T. By end 2004 13% of these funds had been disbursed.

SAO TOME y PRINCIPE

- a) **Highlights of Project Activities:** An RMP component activity was approved for implementation during 2004, with a budget of US \$110,000 and a phaseout target of 3 ODP T. This is the only ongoing project under UNDP implementation in the country. In total, Sao Tome has had 2 UNDP projects (one PRP) funded by the MLF, with funding of US \$125,000 provided to eliminate a total of 3 ODP T. At the end of 2004 9% of these funds had been disbursed.
- b) **Efforts to support Compliance objectives** – Sao Tome faces non-compliance with regards to base year and baseline data reporting. UNDP worked in partnership with UNEP in the preparation of the CP/RMP, which was approved at the 44th Executive Committee Meeting. In 2005 UNDP will start implementation of the investment components of the CP/RMP in order to assist the country achieve compliance with the Montreal Protocol control measures.

SIERRA LEONE

- a) **Highlights of Project Activities:** Three RMP activities remained open in Sierra Leone for UNDP in 2004. Sierra Leone has had a total of 3 UNDP projects funded by the MLF, with US \$261,608 provided to eliminate 14 ODP T. Although no funds had been disbursed as of the end of 2004, renewed effort on the part of UNDP to launch implementation in 2005 is expected to result in a positive outcome.

UNDP plans to submit a halon sector project as part of its 2005 business plan.

SOMALIA

- a) **Highlights of Project Activities:** Somalia has had a total of 1 UNDP PRP project funded by the MLF, with a corresponding budget of US \$15,000. UNDP plans to develop RMP investment activities in Somalia as part of its 2005 business plan.

SRI LANKA

- a) **Highlights of Project Activities:** During 2004 1 UNDP implemented activity was completed in Sri Lanka: a phase of the IS project, with associated phaseout of 11 ODP T. Renewal of the IS project was approved in 2004 with a budget of US \$134,056 and a corresponding phaseout target of 11 ODP T. At the end of 2004, 5 activities remained ongoing in Sri Lanka, 2 in the fumigation sector, 2 RMP components, and the IS project. In total, Sri Lanka has had 19 UNDP projects funded by the MLF, with funding of US \$2,580,670 provided to eliminate 90 ODP T. At the end of 2004 77% of these funds had been disbursed.

UNDP plans to submit a HCFC sector survey for Sri Lanka as part of its 2005 business plan.

- b) **Institutional Strengthening Unit:** During this reporting period, the Sri Lanka NOU has continued

management of ODS phase – out activities. In particular, the approval of NCAP; data collection and reporting activities; development of recommendations for import control license. Additionally, the NOU continued to provide support to the implementation of on-going projects, development of new ones, and execution of awareness activities. In 2004 Sri Lanka also celebrated 10 years of Montreal Protocol activities in the country.

ST. KITT'S & NEVIS

- a) **Highlights of Project Activities:** UNDP plans to prepare, in cooperation with the Government and UNEP, RMP update activities for St. Kitt's and Nevis as part of its 2005 business plan.

ST. VINCENT & THE GRENADINES

- a) **Highlights of Project Activities:** UNDP plans to prepare, in cooperation with the Government and UNEP, RMP update activities for St. Vincent and the Grenadines as part of its 2005 business plan.
- b) **Efforts to support Compliance objectives** – The Government of St. Vincent and the Grenadines is facing compliance issues with its CFC consumption. UNDP included in its Business Plan 2005 assistance to Saint Vincent and the Grenadines to implement the investment components of its Refrigerant Management Plan. These components will be part of the RMP update being prepared by UNEP (lead agency for this project).

SURINAME

- a) **Highlights of Project Activities:** Two RMP component activities, a TAS project in MAC and A/C sectors and the Monitoring of the RMP project, were approved for implementation by UNDP in Suriname in 2004, with a budget of US \$326,180 approved to phaseout 16 ODP T. In total, Suriname has had 4 UNDP projects (2 PRP) funded by the MLF, with corresponding global funding of US \$353,180 provided to eliminate 16 ODP T consumption. At the end of 2004 7% of these funds had been disbursed.

SYRIA

- a) **Highlights of Project Activities:** During 2004, 1 activity in the commercial refrigeration sector was completed in Syria, resulting in a phaseout of 20 ODP T. At year's end therefore, one activity, the terminal project in the commercial refrigeration sector, remained ongoing under UNDP implementation in Syria. Syria has had 18 UNDP projects funded by the MLF, with funding of US \$5,083,111 provided to eliminate 529 ODP T consumption. At the end of 2004 85% of these funds had been disbursed.

It is worth noting that as part of its 2005 business plan UNDP intends to submit a survey of the HCFC sector for Syria.

TANZANIA

- a) **Highlights of Project Activities:** One foam sector project was completed by UNDP in Tanzania during 2004, resulting in phaseout of 40 ODP T. Tanzania has had a total of 6 UNDP projects funded by the MLF, with funding of US \$471,650 provided to eliminate 107 ODP T. At the end of 2004 91% of these funds had been disbursed.

TOGO

- a) **Highlights of Project Activities:** At the end of 2003, 3 activities, all RMP component activities remained ongoing activities in Togo. Togo has had a total of 4 UNDP projects funded by the MLF, with funding of US \$290,000 provided to eliminate 13 ODP T. 47% of these funds have been disbursed as of the end of 2004.

As part of its 2005 business plan, UNDP intends to prepare an RMP Update activity with the Government of Togo.

TRINIDAD AND TOBAGO

- a) **Highlights of Project Activities:** During 2004, 1 UNDP implemented activity, an aerosol sector project, was completed in Trinidad & Tobago which resulted in phaseout of 18 ODP T. The IS project was renewed for a total of US \$60,000. Three 3 activities remained ongoing in Trinidad & Tobago at the end of 2004: the first phase of the TPMP, and two overlapping phases of the IS project.

In total, Trinidad & Tobago has had 12 UNDP projects funded by the MLF, with funding of US \$907,427 provided to eliminate 79 ODP T consumption. At the of 2004 65% of these funds had been disbursed.

- b) **Institutional Strengthening:** During this reporting period Trinidad and Tobago has successfully met all targets on ODS phase-out Schedule. The NOU continued successful implementation and management of the import permit system for ODS and ODS-dependent technologies. The NOU has fulfilled its obligations with respect to annual data reporting requirements and schedules for phasing out of ODS. In addition, training and certification programme for air- conditioning and refrigeration technicians in Good Refrigeration Practices has continued as well as training programme for the Customs and Excise Division, Ministry of Finance for the monitoring and Control of ODS and ODS-dependent technologies. The NOU also continued ongoing public education and awareness programmes for the Protection of the Ozone Layer and implementation of a sustainable data reporting system for ODS Imports.

TURKMENISTAN

- a) **Highlights of Project Activities:** UNDP plans to prepare, in cooperation with the Government and UNEP, RMP update activities originally funded by the GEF for Turkmenistan as part of its 2005 business plan.

URUGUAY

- a) **Highlights of Project Activities:** Two activities were approved for implementation by UNDP in 2004: 1 aerosol project and renewal of the IS project, with a corresponding total budget of US \$577,823 and a phaseout target of 10 ODP T. At the end of 2004, there were 5 ongoing activities in Uruguay: 2 in the aerosol sector, 1 RMP Component, and the IS project. In total, Uruguay has had 19 UNDP projects funded by the MLF, with funding of US \$2,752,220 provided to eliminate 147 ODP T. 69% of these funds had been disbursed as of the end of 2004.

UNDP plans to submit a request for preparatory funds for RMP Update activities, as well as a

solvents sector project for Uruguay as part of its 2005 business plan.

- b) **Institutional Strengthening Unit:** During 2004, the NOU of Uruguay continued its activities of oversight of project implementation, assessing opportunities for development of new programmes as well as monitoring that would enable the country to comply with: the MeBr anticipated phase out calendar established in the project for MeBr phase out as soil fumigant; ensuring continuation of the compliance of CFC consumption freeze to its average level of triennium 1995-1997; creation the conditions to reduce CFC consumption in 2005 to 50% of its average level for the triennium 1995-1997. Additionally, regular awareness activities were undertaken. The NOU has also continued to participate in the regional network meetings sharing their experience and practice and benefiting from that of the others.

VENEZUELA

- a) **Highlights of Project Activities:** During 2003, 1 UNDP activity, a phase of the IS project, was completed in Venezuela, resulting in phaseout of 24 ODP T. The IS project was renewed in 2004 for a total of US \$285,480, with related phaseout impact of 24 ODP T. As a result, the only activity that remained ongoing for UNDP at the end of 2004 was the IS project. Venezuela has had a total of 30 UNDP projects funded by the MLF, with funding of US \$5,656,889 provided to eliminate 487 ODP tonnes per year. 95% of these funds have been disbursed as of the end of 2004.

UNDP plans to submit a HCFC sector survey for Venezuela as part of its 2005 business plan.

- b) **Institutional Strengthening:** The 43rd Executive Committee Meeting approved Venezuela's seventh Institutional Strengthening extension. Continuous support to the NOU and in particular the phase under this reporting period has enabled Venezuela to continue its work to ensure smooth implementation of ODS phase-out projects. The NOU has continued supporting implementation of activities that would achieve approval of the production closure plan, preparation and commencing of the training programme for refrigeration technicians, monitoring of projects in the industrial sector, refrigeration and halons. Awareness activities have also continued to be implemented.

VIET NAM

- a) **Highlights of Project Activities:** During 2004, 2 UNDP activities, both components of the RMP, were completed in Viet Nam, resulting in phaseout of 17 ODP T. Two activities remained ongoing in Viet Nam at the end of 2004, both in the aerosol sector. Viet Nam has had a total of 19 UNDP projects funded by the MLF, with total funding of US \$1,515,188 provided to eliminate 282 ODP T. 92% of these funds have been disbursed as of the end of 2004.

YEMEN

- a) **Highlights of Project Activities:** At the end of 2004, one activity, the R&R component of the RMP, remained in Yemen. Yemen has had a total of 2 UNDP projects funded by the MLF, with funding of US \$1,485,796 provided to eliminate 220 ODP tonnes per year. 79% of these funds have been disbursed as of the end of 2004.

As part of its 2005 business plan UNDP plans to submit a request for preparatory funding to assist the Government in preparing an RMP Update.

ZIMBABWE

- a) **Highlights of Project Activities:** In total, Zimbabwe has had 4 UNDP projects funded by the MLF, with funding of US \$276,708 provided to eliminate 0 ODP tonnes per year. 98% of the funds had been disbursed as of the end of 2004.

UNDP plans to develop the following activities in Zimbabwe as part of its 2005 business plan: 1 solvent sector project and a fumigation sector project.

Annex 2 – Tables related to the Performance Indicators

Table 1

Annual Programmes Approved in 2004	Remarks
ARG/FUM/43/INV/139	
BGD/PHA/42/TAS/19 through 21	Approved
BRA/PHA/45/INV/xxx	Approval in 2005 due to GTZ funding situation, while all conditions & milestones were in fact met in 2004 (see 44/15)
COS/FUM/43/INV/33	
CPR/SOL/42/INV/410	
IDS/REF/44/INV/163	Manufacturing
IDS/REF/44/INV/164	Servicing
IND/FOA/44/INV/384	Foam
IND/REF/42/INV/371	servicing 1
IND/REF/44/INV/379	servicing 2
IND/REF/44/INV/383	Manufacturing
IRA/PHA/42/INV/165	Approved as a one-off project for UNDP
KEN/FUM/44/INV/38	
LEB/FUM/44/INV/58	
LEB/PHA/44/INV/57	
MEX/FOA/42/INV/117	Approved as a second one-off project
MLW/FUM/43/INV/21	
NIR/PHA/44/INV/112	
PAN/PHA/44/INV/22	
SRL/PHA/43/INV/26 through 29	Approved as a 1-off agreement with Japan/UNDP

20

Table 2

Individual Projects Approved in 2004
BAR/REF/43/TAS/11
BAR/REF/43/TAS/12
BOL/REF/42/INV/25
BRU/REF/44/TAS/10
BZE/REF/44/TAS/12
CBI/REF/44/TAS/08
ELS/REF/42/TAS/13
ELS/REF/42/TAS/15
ELS/REF/42/TRA/14
GBS/REF/43/TAS/07
GHA/SOL/44/TAS/22
GLO/SEV/44/TAS/259
HON/REF/44/TAS/15
IDS/ARS/44/INV/167
JAM/SOL/42/TAS/20
LAO/FOA/44/INV/14
MAL/FUM/43/TAS/151
MEX/FOA/42/INV/117
MOL/REF/44/TAS/12
NEP/REF/44/TAS/16
PER/REF/43/TAS/37
STP/REF/44/TAS/10
SUR/REF/44/TAS/09
SUR/REF/44/TAS/10
URU/ARS/43/INV/42

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Table 3

MY Tranches approved in 2004 because key milestones were met during previous year	
ARG/FUM/43/INV/139	ODS reduction and other targets met and new tranche approved
BRA/PHA/45/INV/xxx	See decision 44/15, targets met.
COS/FUM/43/INV/33	ODS reduction and other targets met and new tranche approved
CPR/SOL/42/INV/410	ODS reduction and other targets met and new tranche approved
IDS/REF/44/INV/163	ODS reduction and other targets met and new tranche approved
IDS/REF/44/INV/164	ODS reduction and other targets met and new tranche approved
IND/FOA/44/INV/384	ODS reduction and other targets met and new tranche approved
IND/REF/42/INV/371	ODS reduction and other targets met and new tranche approved
KEN/FUM/44/INV/38	ODS reduction and other targets met and new tranche approved
LEB/FUM/44/INV/58	ODS reduction and other targets met and new tranche approved
MLW/FUM/43/INV/21	ODS reduction and other targets met and new tranche approved
NIR/PHA/44/INV/112	ODS reduction and other targets met and new tranche approved
12	

Table 4

The figures below come from Table 4 of the progress report and include partial phase out from ongoing projects plus phase out from completed projects. Including MY agreements, this works out to be 5,892 ODP but without this category the ODP is only 2,579.

	All Projects	Individual Only
Cumulative Total	44,869	38,765
Last year Cumulative	38,445	36,186
Add. ODP for 2004	6,424	2,579

Table 5

Final Revisions Issued in 2004	
ARG/FOA/18/INV/27	
ARG/FOA/18/INV/30	GLO/REF/18/TAS/90
ARG/FOA/20/INV/48	GLO/SEV/04/TAS/256
ARG/FOA/22/INV/56	IDS/FOA/25/INV/91
ARG/FOA/25/INV/76	IDS/FOA/26/INV/101
ARG/FOA/29/INV/96	IDS/FOA/26/INV/97
ARG/FOA/30/INV/106	IND/FOA/23/INV/143
ARG/FOA/30/PRP/101	IND/FOA/31/INV/268
ARG/FOA/30/PRP/102	IND/FOA/34/INV/322
ARG/REF/23/INV/66	IND/REF/27/PRP/200
ARG/REF/30/PRP/103	IRA/FOA/27/PRP/40
BAH/REF/27/PRP/08	IRA/REF/27/PRP/41
BDI/REF/26/TAS/05	IRA/REF/28/INV/46
BRA/FOA/23/INV/78	IRA/REF/34/INV/112
BRA/FOA/29/INV/146	IRA/REF/34/INV/87
BRA/FOA/29/INV/157	IRA/REF/34/INV/99
BRA/FOA/30/PRP/160	IRA/SEV/32/INS/74
BRA/FOA/30/PRP/161	JAM/REF/30/PRP/14
BRA/FOA/30/PRP/163	LEB/SEV/31/INS/37
BRA/FOA/30/PRP/164	LEB/SEV/36/CPG/49
BRA/FOA/31/INV/185	MAL/FOA/27/PRP/119
BRA/FOA/34/INV/211	MAL/FUM/24/PRP/109
BRA/FOA/34/INV/213	MAL/SEV/21/PRP/93
BRA/FOA/34/INV/215	MEX/FOA/30/PRP/94
BRA/FOA/34/INV/216	MEX/FOA/31/INV/98

Final Revisions Issued in 2004			
BRA/FOA/34/INV/225		MEX/FOA/31/TAS/96	
BRA/FOA/34/INV/229		MLI/REF/32/TAS/09	
BRA/FOA/34/INV/230		MOR/FOA/22/INV/08	
BRA/FOA/34/INV/233		MOR/FOA/23/INV/13	
BRA/FOA/34/INV/238		MOR/FOA/23/INV/14	
BRA/FOA/36/INV/248		MOR/FOA/23/INV/19	
BRA/REF/30/PRP/162		MOR/FOA/25/INV/22	
CHI/ARS/30/PRP/140		MOR/FOA/32/INV/43	
COL/FOA/29/INV/36		MOR/FOA/32/INV/44	
COL/FOA/29/INV/38		NER/REF/37/PRP/10	
COL/FOA/30/PRP/41		NIR/FOA/23/INV/23	
COL/FOA/32/INV/48		NIR/FOA/23/INV/24	
COL/REF/19/INV/22		NIR/FOA/23/INV/27	
COS/REF/08/TAS/04		NIR/FOA/23/INV/29	
CPR/FOA/23/INV/229		NIR/FOA/31/INV/66	
CPR/FOA/26/INV/263		NIR/FOA/31/INV/68	
CPR/FOA/28/INV/289		PHI/FUM/25/PRP/55	
CPR/FOA/28/INV/290		SRL/FUM/25/PRP/12	
CPR/FOA/29/INV/313		SYR/FOA/27/PRP/42	
CPR/FOA/29/INV/315		SYR/REF/27/PRP/43	
CPR/FOA/29/INV/318		SYR/REF/31/INV/64	
CPR/FOA/29/INV/325		THA/FOA/23/INV/70	
CPR/FOA/29/INV/326		THA/FOA/26/INV/99	
CPR/FOA/29/INV/328		THA/FOA/28/INV/117	
CPR/FOA/29/INV/330		THA/FOA/29/INV/119	
CPR/FOA/29/INV/331		THA/FOA/29/INV/123	
CPR/FOA/29/INV/332		URT/FOA/26/INV/11	
CPR/FOA/29/INV/334		URU/ARS/36/TAS/38	
CPR/REF/17/INV/124		URU/REF/12/TAS/04	
CPR/REF/24/INV/242		URU/SEV/31/INS/35	
CPR/SOL/28/INV/287		VIE/REF/20/DEM/13	
CUB/SEV/34/INS/17			