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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-seventh Meeting
Montreal, 21-25 November 2005

2005 CONSOLIDATED PROJECT COMPLETION REPORT

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I. Introduction

1. The purpose of this report is to provide the Executive Committee with an overview of the results reported in the project completion reports (PCR) received during the reporting period, i.e. since the 44th meeting in November 2004. This corresponds to decisions 23/8 (i) and 26/11 of the Executive Committee requesting the Senior Monitoring and Evaluations Officer to present a consolidated PCR, after consultation with the implementing agencies at the third meeting of each year. The draft report was sent to the implementing agencies as well as bilateral agencies. Comments were received only with regard to the numbers of PCRs due and that had been received, and with respect to correcting inconsistencies observed in some PCRs. They were taken into account when finalizing the report as were the numbers of PCRs scheduled for submission by the agencies for 2006 (see Table 13).

2. At its 44th meeting, the Executive Committee decided:

(a) To take note of the 2004 consolidated project completion report, as contained in documents UNEP/OzL.Pro/ExCom/44/11 and Add.1, including the schedule for submission of project completion reports due;

(b) To request bilateral agencies concerned to make all necessary efforts and to request implementing agencies:

(i) To establish by the end of January 2005, in cooperation with the Fund Secretariat, full consistency of data reported in the project completion reports, in the Inventory of approved projects and in the annual progress reports;

(ii) To provide, by the end of January 2005, the information still missing in a number of project completion reports;

(iii) To clear the backlog of project completion reports for projects completed before the end of 2000 by the end of January 2005; and

(c) To urge UNDP and the World Bank to make all necessary efforts to deliver the project completion reports still scheduled to be provided in 2004.

(Decision 44/9)

3. PCRs received from the implementing agencies to comply with this decision including efforts to establish full consistency of data reported are summarized in this Consolidated Project Completion Report, along with a description of efforts to improve the quality of PCRs.

II. Overview of PCRs Received and Due

4. The total number of PCRs received for investment projects in the year 2005 increased to 256 (compared to 170 in 2004) while the total number of PCRs still due for completed investment projects has decreased from 216 to 114. For non-investment projects, the number of PCRs received in 2005 increased from 56 to 58, while the number of outstanding PCRs decreased from 78 to 69. For project preparations, country programmes, recurrent activities like networking and information exchange, as well as extended institutional strengthening projects no PCRs are required (Decision 29/4). Recurrent activities are reported upon in the annual progress reports while terminal reports are provided on each phase of IS projects, jointly with the request

for extension. Annual tranches of multi-year projects are not supposed to be reported upon in PCRs. Tables 1 and 2 below present more detailed data by agency including comparative figures for the previous two reporting periods.

5. Implementing and bilateral agencies have submitted, as of 7 October 2005, a total of 1,568 PCRs for investment projects and 578 PCRs for non-investment projects, representing 93.2% (compared to 85.8% last year) of PCRs due for investment and 88.9% (86.8% last year) for non-investment projects completed as of 31 December 2004.

Table 1
Investment Projects Overview

Agency	Completed Projects up to December 2004	Total PCR(s) Received for Projects Completed up to December 2004	PCR(s) still due	PCR(s) Received in the Reporting Period		
				2003	2004	2005[1]
France	11	8	3	0	0	0
Germany	14	3	11	0	0	1
IBRD	416	350[2]	66	16	37	32
Italy	4	4	0	N/A	N/A	4
Japan	4	4	0	2	N/A	2
UNDP	849	821[3]	28	135	96	149
UNIDO	382	377[4]	5	48	37	68
USA	2	1	1	0	0	0
Total	**1,682**	**1,568**	**114**	**201**	**170**	**256**

[1] After the 44th Meeting of the Executive Committee (20 November 2003 to 7 October 2005).
[2] In addition, the World Bank submitted 2 PCRs for cancelled projects.
[3] In addition, UNDP submitted 2 PCRs for cancelled projects.
[4] In addition, UNIDO submitted 1 PCR for cancelled project and 9 Cancellation Reports.

Table 2
Non-Investment Projects Overview
(Except Project Preparations, Country Programmes, Ongoing Projects like Networking and Clearing House Activities as well as Institutional Strengthening Projects)

Agency	Completed Projects up to December 2004	Total PCR Received for Projects Completed up to December 2004	PCR(s) still due	PCR Received in the Reporting Period		
				2003	2004	2005[1]
Australia	7	1[2]	6	0	0[2]	0
Austria	1	1	0	N/A	N/A	N/A
Canada	38	32	6	4	8	5
Denmark	1	1	0	N/A	N/A	N/A
Finland	2	2	0	1	N/A	N/A
France	15	9	6	0	1	0
Germany	28	27[3]	1	10	7	7
IBRD	25	22	3	0	0	2
Israel	1	1	0	0	1	0
Japan	5	5[4]	0	1	0	5
Poland	1	0	1	N/A	0	0
Singapore	2	0	2	0	0	0
South Africa	1	1	0	N/A	N/A	N/A
Sweden	1	1	0	N/A	N/A	N/A
Switzerland	3	3	0	N/A	1	N/A
UNDP	155	129	26	19	2	17
UNEP	252	238[5]	14	35	22	15
UNIDO	69	67	2	9	14	7
USA	40	38	2	0	0	0
Total	**647**	**578**	**69**	**79**	**56**	**58**

[1] After the 44th Meeting of the Executive Committee (20 November 2004 to 7 October 2005).
[2] The PCR is a joint project for R&R in Vietnam submitted by UNDP. In addition, Australia submitted 1 Project Cancellation Report.
[3] In addition, Germany submitted 1 PCR for a project completed in 2005.
[4] In addition, Japan submitted 1 PCR for a project completed in 2005.
[5] In addition, UNEP submitted 1 PCR for a project completed in 2005.

6. By 7 October 2005, UNDP, which implements by far the largest number of investment projects, delivered 93 compared to 90 investment project PCRs scheduled for submission by the end of September this year and 12 compared to 15 non-investment project PCRs. UNEP submitted 14 compared to 8 PCRs for non-investment projects scheduled, and UNIDO sent 68 PCRs for investment projects, 57 more than scheduled, as well as 7 PCRs on non-investment projects, for which no submissions had been planned. However, the World Bank provided only 4 out of 16 PCRs scheduled for submission by the end of September this year.

7. The World Bank has the largest number of PCRs due (66 for investment projects and 3 for non-investment projects), followed by UNDP with 28 PCRs due for investment and 26 for non-investment projects completed by the end of 2004. For UNIDO and UNEP as well as for several bilateral agencies, the combined numbers of PCRs still due for investment and non-investment projects range between 1 and 14 (see Tables 1 and 2 above).

8. There are still 15 PCRs due for 1 investment and 14 non-investment projects completed by the end of 2000. 6 of them were implemented by Australia, 3 by USA, 2 by UNDP, 2 by Singapore, 1 by UNIDO and 1 by the World Bank.

Table 3
Schedule for Planned Submission of PCRs in 2005 and Actual Delivery

	Schedule	Sector	Investment		Non-Investment	
			Schedule	Received	Schedule	Received
UNDP	31 March 2005		30	22FOA, 8REF	5	
	30 June 2005		30	8FOA, 21REF	5	1DEM, 9TAS
	30 Sept. 2005		30	25FOA, 2SOL, 6REF, 1ARS	5	2TAS
	31 Dec. 2005		30		5	
	Total		**120**	**93**	**20**	**12**
Status at October 8, 2005				**+3**		**-3**
Total PCRs Due as of 13 October 2004			**130**		**37**	
	Schedule	**Sector**	**Investment**		**Non-Investment**	
			Schedule	**Received**	**Schedule**	**Received**
UNEP	December 2004-February 2005					4TRA, 1TAS
	March 2005	Training (6), Technical Assistance (2)			6 TRA, 2 TAS	
	April 2005					1TRA
	June - September 2005					5TRA, 3TAS
	Total		**N/A**		**8**	**14**
Status at October 8, 2005						**+6**
Total PCRs Due as of 13 October 2004			**N/A**		**10**	
	Schedule	**Sector**	**Investment**		**Non-Investment**	
			Schedule	**Received**	**Schedule**	**Received**
UNIDO	December 2004	Refrigeration (7)	7	6REF		
	January 2005	Foam (1)	1			
	April - May 2005			1REF, 1ARS		
	June 2005			1FOA		
	July 2005	Refrigeration (2), Foam (1)	3	6ARS		1TAS
	August - September 2005			32REF, 4SOL, 12FOA, 4PAG, 1FUM		1CPG, 3DEM, 1TAS,1TRA
	Total		**11**	**68**	**N/A**	**7**
Status at October 8, 2005				**+57**		**+7**
Total PCRs Due as of 13 October 2004			**11**		**0**	
	Schedule	**Sector**	**Investment**		**Non-Investment**	
			Schedule	**Received**	**Schedule**	**Received**
IBRD	March	Refrigeration (3)	3		--	
	July	Foam (3), Refrigeration (2)	5		--	
	September	Foam (4), Refrigeration (4)	8	2FOA, 1REF, 1ARS	--	
	October	Refrigeration (3), Foam (3)	6		--	
	November	Aerosol (2), Refrigeration (6) Foam (1)	9		--	
	December	Refrigeration (3), Foam (2) Solvent (2), Fumigation (1) Halon (1), Process Agent (1)	10		--	
	Total		**41**	**4**	--	
Status at October 8, 2005				**-12**		
Total PCRs Due as of 13 October 2004			**70**		**5**	

III. Analysis of Project Completion Reports for Investment Projects

(a) PCRs Received and Due

9. By the end of 2004, UNDP had completed 849 investment projects for which it submitted 821 PCRs (96.7 per cent of total) as at 7 October 2005. UNIDO completed 382 projects for which it submitted 377 PCRs (98.7 per cent). The World Bank completed 416 projects and submitted 350 PCRs (84.1 per cent). Japan completed 4 projects and submitted 4 PCRs (100%). Germany completed 14 projects and submitted 3 PCRs (21.4 per cent). France completed 11 projects and submitted 8 PCRs (72.7 per cent). Italy completed 4 projects and submitted 4 PCRs (100%). The U.S.A. completed two projects and submitted one PCR (50 per cent).

Table 4
PCRs for Investment Projects Received and Due by Implementing Agency, Sector and Year
(For Projects Completed Until the End of 2004)

Agency	Sector	PCR(s) Received in:									PCR(s) Due in[1]:							
		1998	1999	2000	2001	2002	2003	2004	2005	Total	1999	2000	2001	2002	2003	2004	2005	Total
UNDP	Aerosol	1	-	9	4	11	-	-	4	29	-	-	-	-	-	-	4	4
	Foam	20	34	79	83	117	87	82	77	579	-	-	-	-	3	12	2	17
	Fumigant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1
	Halon	-	-	3	13	-	1	-	1	18	-	-	-	-	-	-	-	-
	Refrigeration	1	22	2	33	9	22	39	42	170	-	-	-	-	-	2	4	6
	Solvent	3	-	-	19	-	-	1	2	25	-	-	-	-	-	-	-	-
	Total	**25**	**56**	**93**	**152**	**137**	**110**	**122**	**126**	**821**	**-**	**-**	**-**	**-**	**3**	**14**	**11**	**28**
UNIDO	Aerosol	6	6	10	6	4	2	-	7	41	-	-	-	-	-	-	-	-
	Foam	8	22	3	22	11	15	11	13	105	1	-	-	-	-	-	-	1
	Fumigant	-	-	-	-	2	1	-	1	4	-	-	-	-	-	-	-	-
	Halon	1	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-
	Process Agent	-	-	-	-	1	3	2	4	10	-	-	-	-	-	-	-	-
	Refrigeration	12	25	11	32	14	22	24	33	173	-	-	-	-	-	3	1	4
	Solvent	5	13	5	3	3	5	5	4	43	-	-	-	-	-	-	-	-
	Total	**32**	**66**	**29**	**63**	**35**	**48**	**42**	**62**	**377**	**1**	**-**	**-**	**-**	**-**	**3**	**1**	**5**
World Bank	Aerosol	4	6	6	-	1	-	2	1	20	-	-	1	-	1	2	1	5
	Foam	18	25	38	20	20	18	8	7	154	-	-	1	1	9	6	10	27
	Fumigant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1
	Halon	2	1	1	-	-	-	-	-	4	-	-	-	-	-	1	-	1
	Multiple Sectors	1	-	1	-	-	-	-	-	2	-	-	-	-	-	-	2	2
	Others	-	-	2	-	-	-	-	-	2	-	-	-	-	-	-	-	-
	Process Agent	-	-	-	-	-	-	1	-	1	-	-	-	-	-	1	-	1
	Production	1	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-
	Refrigeration	18	24	22	26	15	16	12	7	140	-	-	-	-	11	11	5	27
	Solvent	15	4	3	1	-	-	-	2	25	-	-	-	-	-	1	1	2
	Sterilant	-	-	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-
	Total	**59**	**60**	**73**	**48**	**36**	**34**	**23**	**17**	**350**	**-**	**-**	**2**	**1**	**21**	**23**	**19**	**66**
Bilateral	Aerosol	-	-	-	-	1	-	-	-	1	-	-	-	-	-	-	-	-
	Foam	-	-	3	2	2	2	-	5	14	-	-	-	-	-	-	9	9
	Halon	-	-	1	-	-	-	-	-	1	-	-	-	-	-	-	-	-
	Refrigeration	-	1	1	-	-	-	-	2	4	-	1	-	1	1	-	2	5
	Solvent	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	1
	Total	**-**	**1**	**5**	**2**	**3**	**2**	**-**	**7**	**20**	**-**	**1**	**-**	**1**	**2**	**-**	**11**	**15**
Grand Total		**116**	**183**	**200**	**265**	**211**	**194**	**187**	**212**	**1,568**	**1**	**1**	**2**	**2**	**26**	**40**	**42**	**114**

[1] 6 months after projects completion according to the Progress Report.

10. As last year, the largest number of PCRs was received from UNDP, particularly for foam projects. This is also the area with the largest number of PCRs still due. The second largest number was received for the refrigeration sector. This remains also the sector with the second largest number of PCRs still due. Foam (54) and refrigeration (42) projects combined account for 96 of the 114 PCRs still due for investment projects completed by the end of 2004 (see table 4). The backlog of PCRs for early investment projects completed by the end of 1999 has been reduced from 21 to 1.

11. The 256 PCRs received in the reporting period (20 November 2004 to 7 October 2005) represent projects completed in 34 countries. 75% of the completion reports are for projects implemented in seven countries (Brazil, People's Republic of China, India, Indonesia, Iran, Nigeria and Syria).

(b) ODS Phase-out Achieved

12. ODS phase-out in the projects reported upon in the project completion reports is found to be as planned in most investment projects, the total phase-out reported being slightly less than the planned amount (see Table 5 below). However, information on phase-out achieved in the PCRs is in some cases incomplete when unit production and ODS consumption data before and after the conversion are not provided (see also Table 16). Also, the ODS phase-out data reported in the PCRs are in 7 out of 256 reports different from the ODS data reported in the 2004 Progress Report; while in most cases this is due to different rounding of figures, for one project a difference of 22.3 ODP tonnes is noted due to partial achievement of the planned phase-out when two of four enterprises participating in an umbrella foam project in Argentina went out of business. UNDP will correct the 2005 Progress Report accordingly. As an improvement, the number of cases with such differences and the volume of differences is less than last year.

Table 5
ODS Phased out by Projects with PCRs Submitted

Agency	Number of Projects	PCR		2004 Progress Report	
		ODP to be Phased Out	ODP Phased Out	ODP to be Phased Out	ODP Phased Out
Germany	1	18.9	18.9	18.9	18.9
Italy	4	70.1	70.1	70.1	70.1
Japan	2	102.1	102.1	102.1	102.1
UNDP	151	7,815.8	7,801.7[(1)]	7,857.0	7,857.0
UNIDO	68	5,264.3	5,264.3	5,264.3	5,264.3
World Bank	32	3,685.2	3,685.2	3,697.9	3,697.9
Total	**258**	**16,956.4**	**16,942.3**	**17,010.3**	**17,010.3**

(1) Differences are mainly for ARG/FOA/31/INV/111.

(c) Implementation Delays

13. Out of 256 projects, 107 projects were completed before the planned date, 8 projects were completed on time, 141 projects showed delays ranging from one month to 91 months. In 74 or 28.9% of 256 projects, delays of more than 12 months occurred compared to 53 or 31% of PCRs received last year. Delays cannot be attributed to particular sectors or implementing agencies. Completion dates in 29 PCRs differed from the dates indicated in the 2004 Progress Reports resulting also in differences of delays reported. Average delays reported in PCRs in 2004

increased to 9.2 months (from 7.3 months) while the average project duration increased from 37.6 months to 43.4 months (see Table 6 below). Fewer projects were completed before the anticipated completion date, partly as a result of shortened approved durations for a number of projects (under 12 months for 13 projects, and between 13 and 24 months for 39 projects). Delays are most frequently attributed to the receiving enterprise (105), followed by supplier (53), external factors (42), government (31), implementing agency (24) and funding (7).

Table 6
Implementation Delays
(Figures in Brackets Show Last Year for Comparison)

Agency	Number of Projects	Average Delays as per PCRs (Months)	Average Delays as per 2004 Progress Reports (Months)	Average Duration as per PCRs (Months)	Average Duration as per 2004 Progress Reports (Months)
Germany	1	12.20	12.20	37.53	37.53
Italy	4	-0.50	-0.40	34.00	34.10
Japan	2	15.75	16.25	55.33	55.83
UNDP	149	5.17	5.86	44.47	37.32
UNIDO	68	11.23	11.29	39.54	39.49
World Bank	32	24.38	21.90	47.41	45.02
Total	**256 (169)**	**9.20 (7.3)**	**9.32 (6.8)**	**43.42 (37.6)**	**38.96 (37.0)**

(d) Completeness of Information

14. Key information was more regularly provided than last year, for example the list of annual consumption of ODS and substitutes in 93.4% of the PCRs, compared to 85.2% last year, and 76% the year before (see table 7 below). The list of equipment destroyed is continued to be given in most cases (80.5% compared to 82.2% last year). Information entirely missing in parts of the PCR is now rarely the case, (only in one PCR for operating cost details). However, it still happens too frequently that the information is not complete, in particular on equipment destruction (9.8% of the PCRs compared to 7.7% in 2004), operating cost and savings (7.4% of the PCRs compared to 26.6% the year before) and ODS and substitute consumption (5.9% compared to 14.2% in 2004).

Table 7

Information provided in Investment Project Completion Reports Received During this Reporting Period

(Figures in Brackets Show Last Year for Comparison)

	Provided		Incomplete		Not Provided		"Not Applicable"*	
	Number of Projects	Percentage %	Number of Projects	Percentage %	Number of Projects	Percentage %	Number of Projects	Percentage %
List of Annual Consumption of ODS and Substitutes	239	93.4% (85.2%)	15	5.9% (14.2%)			2	0.8% (0.6%)
List of Capital Equipment	255	99.6% (99.4%)	1	0.4% (0%)				0.0% (0.6%)
Operating Cost Details	226	88.3% (65.7%)	19	7.4% (26.6%)	1	0.4% (0%)	10	3.9% (7.7%)
List of Destroyed Equipment	206	80.5% (82.2%)	25	9.8% (7.7%)			25	9.8% (10.1%)

*According to indications of Implementing Agencies

(e) Overall Assessment and Rating

15. During the reporting period, implementing agencies rated 56.3% of projects as highly satisfactory down from 63.9% in the previous year, 41% as satisfactory, and 2.7% as less satisfactory. This is a slight decrease from the 4.1% reported in the year before while the number of projects rated as satisfactory increased from 31.4% to 41% (see Table 8 below).

Table 8
New Overall Assessment of Project Implementation by the Agencies in the New PCR Format (Figures in Brackets Show Last Year for Comparison)

New Assessment	Germany	Italy	Japan	UNDP	UNIDO	World Bank	Total	% of Total
Highly Satisfactory	1	4		106	23	10	144	56.3% (63.9%)
Satisfactory			2	41	42	20	105	41.0% (31.4%)
Less Satisfactory				2	3	2	7	2.7% (4.1%)
Not Applicable							0	0.0% (0.6%)
Total	**1**	**4**	**2**	**149**	**68**	**32**	**256**	**100% (100%)**

(f) Lessons Learned

16. The lessons learned in 256 investment PCRs submitted for investment projects in the 2005 reporting period were reviewed. Unlike in previous reporting periods when in several PCRs there was no information on lessons learned, during this reporting period lessons learned were described in all but two of the 256 PCRs submitted. Furthermore, in a significant number of PCRs the descriptions of the lessons learned were given in more detail than in previous years. Thus, it appears that the guide sent to the agencies following the 2004 review of PCRs might have played a role in improving the presentation of lessons learned in the PCRs submitted during the 2005 reporting period.

17. However, as in previous years there are still a number of cases where the lessons learned are described in such a general manner that makes it difficult to determine the significance of the described lesson to the given project. Statements such as “Close coordination is important for effective implementation” and “The costs for trials and site preparation need to be realistically estimated and the eligible part funded accordingly” do not provide any indication on how the events described affected the implementation of the projects. In contrast, an equally brief statement as “More training on the transfer of technology proved to be beneficial in maintaining the product quality” clearly describes an experience from the specific project that could be replicated in other projects. There were also a few lessons that merely recounted difficulties encountered with implementation rather than lessons drawn from dealing with the problems. There are also instances where a lesson is repeated for several projects.

18. The lessons learned were grouped under broad categories, namely lessons of strategic nature, policy, technical, technological, economic, (project) design issues, managerial and supervisory, administrative (organizational) and attitudinal. Examples of these lessons are provided in the Annex to this document.

IV. Analysis of Non-investment Project Completion Reports

(a) Overview

19. The largest number of PCRs received for non-investment projects, and also those still due, are for technical assistance projects implemented mainly by UNDP and UNEP. UNEP has continued to reduce the number of PCRs due and has almost eliminated the backlog. For bilateral technical assistance there are still 12 PCRs due, as well as 10 PCRs for training projects, some of them for projects completed several years ago (see Table 9 below).

Table 9
Project Completion Report Received and Due for Non-Investment Projects
(For Projects Completed Until the End of 2004)

Agency	Sector	See PCR(s) Received so far for Year Due									PCR(s) Due in[1]:								
		1998	1999	2000	2001	2002	2003	2004	2005	Total	Before 1997	1999	2000	2001	2002	2003	2004	2005	Total
UNDP	Demonstration	-	-	5	-	-	7	1	2	15	-	-	-	-	-	-	-	-	-
	Technical Assistance*	-	6	39	17	7	5	1	15	90	-	-	2	-	1	1	16	6	26
	Training	-	18	6	-	-	-	-	-	24	-	-	-	-	-	-	-	-	-
	Total	**-**	**24**	**50**	**17**	**7**	**12**	**2**	**17**	**129**	**-**	**-**	**2**	**-**	**1**	**1**	**16**	**6**	**26**
UNEP	Technical Assistance	9	53	3	18	22	18	5	3	131	-	-	-	1	1	1	2	5	10
	Training	8	34	1	2	21	15	20	6	107	-	-	-	-	-	-	1	3	4
	Total	**17**	**87**	**4**	**20**	**43**	**33**	**25**	**9**	**238**	**-**	**-**	**-**	**1**	**1**	**1**	**3**	**8**	**14**
UNIDO	Demonstration	-	-	-	6	7	3	3	3	22	-	-	-	-	-	-	-	-	-
	Technical Assistance	-	6	8	-	4	1	3	2	24	-	-	-	-	-	-	1	1	2
	Training	-	1	1	-	5	6	7	1	21	-	-	-	-	-	-	-	-	-
	Total	**-**	**7**	**9**	**6**	**16**	**10**	**13**	**6**	**67**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**	**2**
World Bank	Demonstration	1	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-
	Technical Assistance	5	4	6	-	1	-	2	-	18	1	-	-	-	1	-	1	-	3
	Training	-	3	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-
	Total	**6**	**7**	**6**	**-**	**1**	**-**	**2**	**-**	**22**	**1**	**-**	**-**	**-**	**1**	**-**	**1**	**-**	**3**
Bilateral	Demonstration	5	5	12	-	3	1	1	-	27	-	1	1	-	-	-	-	-	2
	Technical Assistance	-	-	13	1	1	9	14	10	48	4	-	-	-	-	1	2	5	12
	Training	1	3	19	1	9	6	5	3	47	4	-	-	-	-	1	1	4	10
	Total	**6**	**8**	**44**	**2**	**13**	**16**	**20**	**13**	**122**	**8**	**1**	**1**	**-**	**-**	**2**	**3**	**9**	**24**
Grand Total		**29**	**133**	**113**	**45**	**80**	**71**	**62**	**45**	**578**	**9**	**1**	**3**	**1**	**3**	**4**	**24**	**24**	**69**

[1] 6 months after projects completion according to the Progress Reports.

20. According to Decision 29/4, country programmes, project preparation, as well as UNEP's recurrent activities including networking, do not require PCRs. According to the same decision, institutional strengthening projects are providing Terminal Reports on the previous phase jointly with the extension requests (see table 10).

Table 10
Overview of Institutional Strengthening Reporting

Agency	Completed Projects up to December 2004*	PCRs Received before Decision 29/4	Terminal Reports Received With Extension Requests
France	1	1	0
IBRD	17	7	10
UNDP	72	1	71
UNEP	141	10	131
UNIDO	13	2	11
USA	1	0	1
Total	**245**	**21**	**224**

*Completed in the sense of a phase being completed.

21. The formats for terminal reports and extension requests for IS projects approved at the 32nd Meeting of the Executive Committee continue to be applied. The terminal reports albeit of variable completeness and quality, usually provide sufficient information on the results achieved during the previous implementation phase, and link these results to the tasks described in the action plans for the following year, as requested.

(b) Funding, Delays, Phase-out and Assessment

22. Total actual expenditures for all completed non-investment projects with PCRs were reported to be 94.3% of the planned expenditures which, as last year, indicates slight overall savings (see Table 11).

Table 11
Budgets, Phase-out and Delays Reported in PCRs received for Non-Investment Projects
(Figures in Brackets Show Last Year for Comparison)

Agency	Number of Projects	Approved Funds (US$)	Actual Funds Disbursed (US$)	ODP To Be Phased Out (ODP Tonnes)	ODP Phased Out (ODP Tonnes)	Average Delays (Months)
Bilateral	17	2,478,090	2,459,420	4.0	0.5	24.77 (21.24)
UNDP	17	3,167,572	2,722,245	85.8	83.9	20.29 (51.73)
UNEP	15	1,076,950	1,038,501	0.0	0.0	22.06 (27.07)
UNIDO	7	1,684,950	1,667,689	370.0	370.0	29.30 (20.28)
World Bank	2	729,017	729,017	105.0	4.5	21.80 (N/A)
Total	**58**	**9,136,579**	**8,616,872**	**564.8**	**458.9**	**23.20 (23.53)**

23. The delays realized for project implementation continue to show a great deal of variance. Out of 58 non-investment projects, 7 were completed before the scheduled date, two projects were completed on time and there were delays in 49 projects ranging from two months to 94 months. In 37 cases or 64% of the projects, delays of more than 12 months occurred. No particular patterns with regard to delays by type of project are observable. UNDP shows a significant decrease in average delay (20 months compared to 52 months last year). Average delays of UNEP's projects declined from 27 to 22 months while they increased for UNIDO projects from 20 to 29 months. The average delay for non-investment projects is 23.5 months

beyond the planned completion date, showing a slight decrease compared to 2004 with 23.5 months.

24. The difference in ODP phase-out planned and reported as achieved is almost entirely due to one World Bank project (MAL/REF/18/TAS/77) which phased out 4.5 ODP tonnes instead of 105 ODP tonnes planned. The Bank explained that the phase-out reported is that directly achieved, while the indirect impact is well above the planned phase-out due to Government regulations, the increasing awareness for the use of energy efficient chillers, and the training conducted in proper servicing techniques. Direct phase-out was low upon project completion due to delays in setting up and commencing the recycling facility's operations and is expected to increase in the following years.

25. For bilateral projects, the difference between ODP phase-out planned and achieved is mainly due to a significant drop in St. Lucia's CFC consumption from the time of preparation of the RMP to its implementation when only 0.5 ODP tonnes could be recovered and recycled compared to the planned 3 ODP tonnes.

26. 8.6% of the projects were marked as highly satisfactory, 48.3% as satisfactory as planned and 29.3% as satisfactory though not as planned, significantly more than last year when this figure was 8.3% (see Table 12). The validity of such assessments can only be verified during evaluations. In several projects rated as satisfactory though not planned, no clear explanation for this rating has been provided. Three of 58 non-investment projects did not provide an overall assessment.

Table 12
Overall Assessment of Non-Investment Projects by Agencies
(Figures in Brackets Show Last Year for Comparison)

Assessment	Bilateral	UNDP	UNEP	UNIDO	World Bank	Total	% of Total
Highly Satisfactory	2	1	2			5	8.6% (16.7%)
Satisfactory or Satisfactory and as planned	7	10	6	3	2	28	48.3% (68.8%)
Satisfactory though not as planned	5	4	7	1		17	29.3% (8.3%)
Less Satisfactory	1					1	1.7% (N/A)
Not Provided	2	1				3	5.2% (N/A)
Not Applicable[(1)]		1		3		4	6.9% (6.2%)
Total	**17**	**17**	**15**	**7**	**2**	**58**	**100% (100%)**

[(1)] For Methyl Bromide Demonstration Projects.

(c) Lessons Learned

27. Lessons learned are often confused or replaced with achievements or a description thereof, or with results (i.e. preparation of a roadmap, involvement of stakeholders, or preparation of a plan). There seems to be either a lack of understanding or guidance as to what is expected of those completing this section, that is to indicate lessons learned when a problem is encountered and resolved.

28. There need not be a negative connotation associated with identifying a lesson learned, understanding it and arriving at a replicable solution. The problem/solution/lesson learned series should include any information with respect to events or situations which either jeopardized success of the project as it was planned or which delayed its completion.

29. This question could probably be addressed through preparation of guidelines for the completion of non-investment PCRs similar to those for PCRs on investment projects.

30. A list of lessons learned extracted from 58 PCRs and grouped into several sub-categories is provided in the Annex.

(d) Quality of Information Received and Improvements Suggested

31. Most PCRs on non-investment projects contain substantial information and analysis. In some cases, however, weaknesses exist, for example in giving repetitive or even identical texts for sections of reports on similar projects. The overall assessments which are supposed to use pre-defined terms are sometimes replaced by texts.

32. The section on causes of delays and corrective actions taken vary a lot in terms of concreteness of information provided. Usually external factors beyond the control of the agency and project are given as causes for delays.

33. Comments on draft PCRs have been provided by NOUs in only 24 of the 58 reports received and by the implementing agency in 35 cases.

34. The Senior Monitoring and Evaluation Officer will in cooperation with the implementing agencies develop and distribute guidelines for the preparation of PCRs for non-investment projects, in order to clarify the terms used and make the quality of PCRs more homogeneous.

V. Schedule for Submission of PCRs in 2006

35. The Implementing Agencies submitted, as in previous years, schedules for submission of PCRs due. Table 13 shows PCRs due for projects completed as of 31 December 2004 and takes into account the number of outstanding PCRs as of 22 October 2005. The Implementing Agencies will, in addition to the above schedule, submit PCRs in 2006 for projects completed during 2005.

Table 13
Schedule for Submission of Outstanding PCRs in 2006
(For Projects Completed until 31 December 2004)

	Schedule	Sector	Investment PCRs	Non-Investment PCRs
UNDP	March 2006	TAS/DEM		9
	June 2006	TAS/DEM		9
	September 2006*		10*	3*
	December 2006*		10*	3*
	Total		**20**	**24**
Total PCRs Due as of 22 October 2005			**28****	**26*****
UNEP	**Schedule**	**Sector**	**Investment PCRs**	**Non-Investment PCRs**
	June 2006	TAS (10), TRA(4)	0	14
	Total		**0**	**14**
Total PCRs Due as of 22 October 2005			**N/A**	**14**
UNIDO	**Schedule**	**Sector**	**Investment PCRs**	**Non-Investment PCRs**
	October 2005	Refrigeration	1	
	December 2005	Refrigeration	1	
	February 2006	Foam	1	
	July 2006	Refrigeration	1	
	Total		**4**	**N/A**
Total PCRs Due as of 22 October 2005			**4**	**0**
IBRD	**Schedule**	**Sector**	**Investment PCRs**	**Non-Investment PCRs**
	March 2006	Refrigeration (1), Foam (2)	3	--
	June 2006	Foam (1), Refrigeration (1)	1	1
	July 2006	Foam (4), Aerosol (2), Refrigeration (1)	5	2
	September 2006	Foam (1), Refrigeration (1)	2	--
	October 2006	Refrigeration (2), Foam (2)	4	--
	November 2006	Multisector (2), Foam (2), Refrigeration (2)	6	--
	December 2006	Refrigeration (2), Foam (6)	8	--
	Total		**29**	**3**
Total PCRs Due as of 22 October 2005			**56******	**3**
Canada	**Schedule**	**Sector**	**Investment PCRs**	**Non-Investment PCRs**
	15 November 2005			4
	Total		**0**	**4**
Total PCRs Due as of 22 October 2005			**N/A**	**4**

* Indicative figures only, contingent on number of actual projects completed by 31 December 2005. As a result, the figures may be revised upwards or downwards.

** All PCRs due for investment projects completed until the end of 2004 will be submitted for Q4 2005, 31 December 2005.

*** Of the 26 PCRs due, 8 Non-INV PCRs will be completed and submitted for Q4 2005, 31 December 2005, therefore leaving a balance of 18 PCRs due. This balance will be addressed in Q1 and Q2 2006.

**** 27 PCRs due for investment projects that were completed until the end of 2004 will be submitted for Q4 2005 (31 December 2005). The Bank will, in addition to the above schedule, submit PCRs in CY2006 for projects completed through 2005 (estimated to be 28 for investment projects and 6 for non-investment projects as per the Bank's Progress Report) and up to 30 June 2006.

VI. Improve Consistency of Data Reported in PCRs and in Annual Progress Reports

36. Decision 44/9 (b)(i) requested implementing agencies, in cooperation with the Secretariat, to establish full consistency of data reported in the project completion reports, in the inventory and the annual progress reports by the end of January 2005. The Secretariat provided all agencies with detailed information on data completeness and inconsistencies of PCRs received with the Inventory and the Progress Reports. In subsequent communications, all cases of incomplete information and data inconsistencies in PCRs received in 2003 from Germany, UNEP and the World Bank could be solved while some issues have still to be sorted out with UNDP and UNIDO. (See Table 14 below). This process continues for the PCRs received in 2004 (See Table 15).

Table 14
SUMMARY OF PCRs RECEIVED IN 2003 WITH DATA PROBLEMS
(As of October 7, 2005)

	Germany		UNDP		UNEP		UNIDO		World Bank		Total	
	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved
Incomplete Information			63	61			23	22			86	79
Solved as % of Total				**97%**				**96%**				**92%**
Data Inconsistencies												
Date Approved			4	4			1	1			5	5
Planned Date of Completion	4	4	2	2	1	1	6	6	3	3	16	16
Date Completed	5	5	11	11	11	11	2	2	7	7	36	36
Funds Approved			5	0			1	1	4	4	10	5
Funds Disbursed	5	5	8	6			1	1	4	4	18	16
ODP To Be Phased Out			8	8	1	1			2	2	11	11
ODP Phased Out			17	17	1	1	3	3	2	2	23	23
Total	**14**	**14**	**55**	**48**	**14**	**14**	**14**	**14**	**22**	**22**	**119**	**112**
Solved as % of Total		**100%**		**87%**		**100%**		**100%**		**100%**		**94%**

Table 15
SUMMARY OF PCRs RECEIVED IN 2004 WITH DATA PROBLEMS
(As of October 7, 2005)

	Canada		Germany		Japan		UNDP		UNEP		UNIDO		World Bank		Total	
	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved	Problems with PCRs	Problems with PCRs Solved
Incomplete Information			2	2	1	0	46	46			28	28	9	1	86	77
Solved as % of Total				**100%**		**0%**		**100%**				**100%**		**11%**		**90%**
Data Inconsistencies																
Planned Date of Completion	1	1	1	1							1	1	3	3	6	6
Revised Planned Date of Completion	1	1	3	0	1	0	15	7	4	4	2	2	24	0	50	14
Date Completed	1	1	3	3			11	10	1	1			9	9	25	24
Funds Approved							2	2			3	3	6	6	11	11
Funds Disbursed	2	2					9	6					6	6	17	14
ODP To Be Phased Out							2	1			2	2			4	3
ODP Phased Out							1	0			4	4	3	0	8	4
Total	**5**	**5**	**7**	**4**	**1**	**0**	**40**	**26**	**5**	**5**	**12**	**12**	**51**	**24**	**121**	**76**
Solved as % of Total		**100%**		**57%**		**0%**		**65%**		**100%**		**100%**		**47%**		**63%**

37. During the reporting period, 79 PCRs were received with incomplete information and 151 PCRs with data inconsistencies (See Table 16). Regarding PCRs with incomplete information, the number has decreased (79 PCRs compared to 86 PCRs last year). However, the number of PCRs with data inconsistencies increased (151 PCRs compared to 121 PCRs last year), mainly due to errors for “Revised Planned Date of Completion” which was often missing or different from the Progress Report.

Table 16
SUMMARY OF PCRs RECEIVED IN 2005 WITH DATA PROBLEMS
(As of October 24, 2005)

	Canada		Germany		Japan		UNDP		UNEP		UNIDO		World Bank		Total	
	Problems with PCRs	**Problems with PCRs Solved**	**Problems with PCRs**	**Problems with PCRs Solved**	**Problems with PCRs**	**Problems with PCRs Solved**	**Problems with PCRs**	**Problems with PCRs Solved**	**Problems with PCRs**	**Problems with PCRs Solved**	**Problems with PCRs**	**Problems with PCRs Solved**	**Problems with PCRs**	**Problems with PCRs Solved**	**Problems with PCRs**	**Problems with PCRs Solved**
Incomplete Information	1	1	1		1	1	33				32	32	11		79	34
Solved as % of Total		**100%**		**0%**		**100%**		**0%**				**100%**		**0%**		**43%**
Data Inconsistencies																
Date Approved	3	2					3								6	2
Planned Date of Completion			1				15				2	2	2		20	2
Revised Planned Date of Completion	3	3			2	1	23		3	3			27		58	7
Date Completed	2	2	1		2	1	22		1	1	1	1	6		35	5
Funds Approved	1	1	1										6		8	1
Funds Disbursed	1	1					4				1	1	5		11	2
ODP To Be Phased Out							2						3		5	0
ODP Phased Out							4				1	1	3		8	1
Total	**10**	**9**	**3**	**0**	**4**	**2**	**73**	**0**	**4**	**4**	**5**	**5**	**52**	**0**	**151**	**20**
Solved as % of Total		**90%**		**0%**		**50%**		**0%**		**100%**		**100%**		**0%**		**13%**

38. In order to improve consistency of data and facilitate the preparation of PCRs they can, since July 2004, be filled in starting from the Intranet of the Secretariat. When indicating the project number or title the first page of the PCR forms will be automatically filled in with data from the Secretariat's project inventory database, including actual data and remarks from the last progress reports.

VII. Recommendations

39. The Executive Committee may wish to:

(a) Take note of the 2005 Consolidated Project Completion Report including the schedule for submission of Project Completion Reports (PCRs) due;

(b) Request Implementing and Bilateral Agencies concerned:

(i) to establish by the end of January 2006, in cooperation with the Multilateral Fund Secretariat, full consistency of data reported in the PCRs, in the Inventory and in the Annual Progress Reports;

(ii) to provide, by the end of January 2006, the information still missing in a number of PCRs;

(iii) clear the backlog of PCRs for projects completed before the end of 2002 by the end of January 2006.

(c) Urge the World Bank to make all necessary efforts to deliver the PCRs still scheduled to be provided in 2005.

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LESSONS LEARNED EXTRACTED FROM PCRS

1. INVESTMENT PROJECTS

1.1 Lessons Related to Project Preparation

(a) Lack of an alternative solution to phasing out CFCs delayed the implementation of this project and caused financial losses. The Government should consider these situations and provide technical support and information to the enterprises.

(b) Use of flammable blowing agents requires special government permitting, and the approvals for purchase of isobutene in Brazil are very slow in being issued. The timeframe for obtaining this government approval should be built into the project timetable, as this is an unusual situation which is not encountered in most CFC conversion projects in Brazil.

(c) The lesson learned through implementation of this project is that retrofitting through a supplier other than the original equipment supplier is a delicate issue, and should be approached with much caution and careful planning.

(d) The enterprise needs to guarantee it can provide counterpart funding so as to ensure smooth procurement of equipment and raw materials. It also needs to create a specific team/office for ODS phase-out projects. The management of the enterprise needs to ensure the stability of such team and office throughout implementation and it needs to provide sufficient training to its workers and engineers on the implementation procedures as well as the new technology. The enterprise also needs to promote its new non-ODS products among its clients to create a good sales channel for its new products.

(e) Availability of new chemicals (cyclopentane and polyol formulation for cyclopentane) was also the issue. Although UNIDO intervention for arrangement of these chemicals helped to sort out this problem, consideration on this matter should be given prior to project preparation and implementation in future. Quite a high amount of investment which was not eligible for funding had to be covered by the beneficiary. This has been a common burden for phase-out projects with cyclopentane foaming technology in the country.

(f) Hydrocarbon foam blowing technology was not easy to be applied in Pakistan particularly at the beginning of the project implementation, due to a series of difficulties including availability of foaming–grade cyclopentane, polyol formulation for cyclopentane, and safety instruments.

(g) Projects in the future should include the complete cyclopentane system. It means all equipment. In this project some equipment was not included and the consequence was a delay.

(h) This project was a complicated group project centered around a local supplier who worked to develop CFC-free systems to supply for its customers. The project also included use of the supplier as a sub-contractor to handle much of the data collection,

LESSONS LEARNED EXTRACTED FROM PCRS (Cont'd)

workshop implementation and technical support for the customers, as well as project closure duties, under sub-contract with UNOPS. This arrangement allowed detailed supervision of the project at the small enterprises without expending the resources required for an international consultant to visit each of these enterprises (which was not foreseen as a cost-effective use of resources). This method proved successful for cost-effective implementation of the project, with the enterprises satisfied with the results and the project objectives met, while completing the project within the specified timeframe.

(i) The project also included the analysis of prototype dispensers in an effort to identify low cost, locally available, qualified equipment at lower cost than "standard" foam dispensing equipment. This was done in an effort to be able to assist the smaller enterprises whose consumption does not justify full funding of standard foam dispensers, yet who would benefit from a conversion project. The project successfully identified several locally produced pieces of equipment suitable for the applications, and successfully implemented them in this project. The results can be applied in other countries, and in some cases, the same suppliers can be used for projects similar to this. In countries located too far from these suppliers for cost-effective implementation, a similar exercise might be considered in order to qualify locally produced equipment to serve the same purpose.

(j) Due to the volume of equipment purchased lately through the MLF programme, bidding has become very competitive. The domestic bidders are especially competitive, often being the chosen supplier. The reduced prices in the marketplace should be taken into account in budgeting for future projects, most especially in Brazil, where the effect has been quite dramatic in certain instances.

1.2 Lessons of Technical Nature

(a) Water-based integral skin foam for certain applications can have a skin that allows basically the same finishing process as CFC-11 blown foam. However, the acceptability of the skin is dependent on the application, the final end product being produced and the finishing processes that the product must go through. Careful attention must be paid to these factors when designing a project and proper adjustments in the processing made. No firm rules can be established about the need for barrier coatings because every case is specific to the individual enterprise.

(b) In order to assure a successful project implementation, it is necessary to carefully analyze the equipment requirements, rather than simply replacing equipment. In this case, the enterprise's operations required different equipment (larger LP dispenser) than what the baseline equipment had been (small, portable spray/pour dispenser). By conducting a proper technical analysis of the process requirements, it was possible to specify a more appropriate equipment replacement, thereby achieving the project objectives while also meeting the production requirements of the enterprise in a most efficient manner.

(c) There were technical issues related to the finished product quality that required resolution. Although some of the issues and problems pre-dated the MLF project, it was determined that through reformulation and adjustment of the operating parameters of the

LESSONS LEARNED EXTRACTED FROM PCRS (Cont'd)

new equipment, the problems could be resolved and an acceptable final product produced. This resulted in a very satisfactory project completion for the enterprise.

(d) Technical and commercial compatibility and acceptability of the available alternative technologies should be subjects for the careful review and analysis by all the parties concerned (including Technology Option Committee) before being recommended as an optimal solution.

(e) Methodologies for assessment of ICC and IOC should be based on the actual industrial technical and financial data of the respective alternative technology rather than on "theoretical" assumptions.

(f) It is quite difficult to get good foam properties at low densities with LCD technology. Companies with low technical ability should not try to adopt this kind of technology. Training of the technicians is critical. Also proper planning of the project is important; installation of the equipment always takes longer than the time given by the suppliers.

1.3 Lessons of Economic Nature

(a) The experience through this project is that conversion for environmental benefit can sometimes result in a significant shift in business distribution. Prior to conversion, this enterprise conducted a significant amount of business in low-density flexible molded foam cushions. The technology chosen did not allow production of the same physical properties, and as a result, the business was lost. The enterprise had to put a significant effort into developing its integral skin foam business in order to remain in business. It is vital to be sure the enterprise understands all the potential impacts of a conversion project, and what actions may be required throughout the company to compensate for the changes. In this case, a technical conversion mandated significant efforts in the sales and marketing department to compensate for the product restrictions.

(b) Market conditions can change the product portfolio of a company. In such a situation it is very important to assess whether the selected alternatives are viable.

(c) In cases where the beneficiary enterprise manufactures a range of products or applications with different properties, extensive trials are needed to establish performance of each formulation separately, therefore leading to higher costs of trials. Also, there are costs incurred for preparing the site, such as utility connections, air dryers, etc. The funding of trial and site preparation costs should take these elements into consideration adequately.

(d) Retrofitting of such a large capital cost item as an extruder should in the future be investigated in more detail as part of the project preparation. Different equipment manufacturers and suppliers appear to have different policies. The need to stop the production for six months came as a complete surprise to the consultant as it had never been faced before. If known before approval, there might still have been a discussion if

LESSONS LEARNED EXTRACTED FROM PCRS (Cont'd)

such cost would be eligible for funding or if it should be born by the beneficiary. The cost is considered incremental cost, but covered by the company.

(e) The estimated cost of the substitute was lower than the actual cost and the safety equipment costs were underestimated as well. Estimation of the substitute prices should be based on actual and real market prices plus 5% contingency to overcome future fluctuations of prices, since the implementation of the project usually takes place some time later on.

(f) The major problems encountered in the implementation of this project were delays in the recipient company arranging financing for the procurement of the new continuous production foaming unit. This is a major engineering project for any company, and could not be implemented within the original timeframe, especially given that the financing was not yet arranged at the time of project approval. If projects are to be approved "piggy-backing" on this type of a major capital improvement project, then the implementation timeframe should realistically reflect that.

(g) The company was not fully equipped neither from the point of infrastructure nor from human resources to receive high-level equipment without additional assistance. The additional assistance was provided, however, it caused delays. In the future, the project design should take into consideration the additional time required to convert small and medium scale enterprises.

1.4 Lessons Related to Project Implementation

(a) There were some conflicts during the bid analysis of the equipment involving non-winning bidders and the enterprise itself, which led to a great deal of discussion among staff, experts and the enterprise. This situation pointed out the need to stress to all parties involved that the bids and the analysis of those bids are confidential documents that are not to be shared and made public. It underscored the need to carefully educate the enterprises on the confidentiality requirements of the process.

(b) Supplier interference in the bidding and equipment selection process can have far-reaching implications. It is very important to stress that, even if enterprises have the ultimate decision-making authority on equipment selected, the equipment chosen must meet the original project objectives. It must be very clearly explained and agreed to in writing by all parties that acceptance is based on the original requirements, and not the design criteria of whatever alternate configuration the enterprise has chosen. Technical issues outside the scope of the original specifications are to be handled between the enterprise and the supplier, and are not to delay the implementation timetable of the project. This must be clearly enunciated early in the process, and the responsible enterprise representatives need to sign-off that this is understood.

(c) This project has demonstrated that if a beneficiary company is experiencing a difficult financial situation, project implementation is likely to be delayed and the project will be difficult to implement. It is necessary, in this type of situations, to obtain a full

LESSONS LEARNED EXTRACTED FROM PCRS (Cont'd)

commitment of the company and of its creditors that all the necessary actions will be taken to allow the project's implementation.

(d) The lessons learned from this project are as follows: 1) Getting supervision from UNDP and technical assistance from the international experts in time is very important for project implementation. 2) Coordination and management from the government and Domestic Implementing Agency (DIA) is very necessary for effective project implementation. 3) The situation that DIA and the procurement agent is the same organization is good for project implementation. 4) Technical strength, active cooperation and understanding of the beneficiary enterprise are the foundations for successful implementation of the project.

(e) Enterprise was not aware of various procedures and suppliers of machinery, which led to delay at various stages of implementation. For effective implementation it is necessary that the enterprise is informed about the various project steps and processes such as technology selection, machinery suppliers, government policies and regulations, requirements of financial institutions, Government Agencies etc.

(f) When an enterprise is responsible for implementing certain portions of a project (equipment retrofit), it is essential to follow the project closely and ensure the work is completed. If necessary, payment of IOC's should not be made until enterprise responsibilities are satisfactorily completed. Additionally, changes of personnel at recipient enterprises should be monitored, and meetings scheduled to brief new personnel as necessary.

(g) Well-established linkages between UNIDO and National Ozone Unit facilitated the efficient and proactive arrangements for custom clearance of imported equipment, its installation and commissioning and also other operational or administrative activities pertaining to the implementation of the project.

(h) In cases where an enterprise is becoming uncooperative at completing a project, it is necessary to use all tools available to encourage them to complete the project. In spite of difficulties with this enterprise, it was possible to finally complete this project rather than have it cancelled. This was a more productive outcome for both the enterprise and the Fund. In this case, clear and consistent communication through both the experts and the Implementing Agency are what allowed the project to eventually reach completion.

2. NON-INVESTMENT PROJECTS

2.1 Lessons Relating to Stakeholders

(a) The direct involvement of the Environment Ministry is required to ensure approval of ODS legislation.

LESSONS LEARNED EXTRACTED FROM PCRS (Cont'd)

(b) Participation of scientific and private sector communities in policy development is key to project success.

(c) Preparation of a policy implementation plan contributes to strengthening the management capability of an A5 country and provides opportunities to strengthen coordination between NOU and other government authorities.

(d) The institutional strengthening of the NOU needs to be pursued as well as that of relevant government authorities, especially in cases where A5 country consumes other ODS than CFC.

(e) Close cooperation between users, legislators, environmentalists, national and international implementing agencies and project executing agency is the essence of success for a project.

(f) Networking between NGOs and NOU can provide key support for information exchange and awareness raising.

(g) Limitations due to the institutional structure of the local executing agency should be taken into account during project preparation. Appropriate institutional capabilities and structures for the execution of non-investment activities must be in place (such as preparation of a sectoral strategy and action plan).

(h) Inter-institutional coordination amongst sectors is important to ensure of registration and control of ODS.

(i) Need for partners to be involved from the development and adoption of regulations all the way to enforcement.

(j) Stakeholder participation increases understanding, awareness and ownership.

(k) Professionals realize the need and advantages of associating professionally and regulating their professional practice. This should be emphasized as an awareness raising tool.

(l) Strong regulatory and policy frameworks combined with effective enforcement of national regulations help to expedite a successful phase-out.

2.2 Lessons on Cooperation with Customs

(a) A technical group should be set up at the national level to support customs departments on ODS related issues.

(b) Ozone related issues should be incorporated into on-going customs training.

(c) Provision of regular info and data regarding ODS for local customs officers is a key to success.

LESSONS LEARNED EXTRACTED FROM PCRS (Cont'd)

(d) Cooperative networks should be established between customs organizations and neighbouring countries.

2.3 Lessons on Workshops and Seminars

(a) Use of local expertise and sensitivity to cultural/religious requirements, socio-economic and political difficulties assist in making adjustments to planned approaches and to ensure success.

(b) It is essential that delegates/participants be of sufficiently high level to have an informed understanding of relevant issues. Actual experience with the issues and good knowledge of the working language should be a requirement in selecting participants.

(c) Language and barriers could be reduced by circulating main topics for discussion before workshops.

(d) Centrally located venues with supporting services and easy transportation links are desirable since remote venues can make organization and logistics difficult.

(e) Training sessions should incorporate as much practical exercises as possible. Practical training of stakeholders and demonstration of available alternatives are effective ways to raise awareness and create commitments.

2.4 Lessons on Project Formulation, Regional Scope and Monitoring

(a) Accurate assessment of a country's needs is of vital importance to ensure correct type of equipment is provided and should be carefully considered during preparation of the Country Programme and the RMP project proposal.

(b) Consumption at time of project formulation can substantially differ from amounts at time of approval.

(c) Implementation of regionally coordinated activities is not always the most efficient way forward. Regional projects should be more of an exchange of ideas/experience rather than of coordinated activities which tend to be delayed by waiting for all countries to join in.

(d) Regional sharing of expertise strengthens impact of training.

(e) Taking full ownership and responsibility is not encouraged when rotating equipment among countries. This is not a viable approach. Ozone officers agreed to purchase one unit and then did not reach agreement on sharing the equipment.

(f) Halon Bank should be allocated to a company with experience in high pressure systems and firefighting equipment.

(g) Monitoring should be more frequent and extend over the whole lifespan of project being monitored. Monitoring of the implementation of the project ought to always be provided and correctly budgeted for either within the R&R project or as RMP monitoring project.