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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-eighth Meeting
Montreal, 3-7 April 2006

Addendum

PROVISIONAL ANNOTATED AGENDA

This document is issued to:

Replace Item 5 (a) “Report on balances and availability of resources”, **Item 10** “Further consideration of Terms of Reference, Budget and Modalities for a Study Regarding Collection, Recovery, Recycling, Reclamation, Transportation and Destruction of Unwanted ODS in light of the outcome of the meeting of experts and written comments submitted (follow-up to decisions 46/36 and 47/52)” **and Item 11** “Report on options for a consistent approach to the application of miscellaneous income, exchange rate losses and gains, and bank charges for funds approved by the Executive Committee and any consequences of alternative approaches (follow-up to decision 47/47)” **with** the following:

5. Status of resources and planning:

(a) Report on balances and availability of resources

Document UNEP/OzL.Pro/ExCom/48/4: contains the submissions of the implementing agencies on completed projects with balances, the return of funds from cancelled projects, other project adjustments and project transfer requests.

Issues to be addressed:

- Implementing agencies are returning US \$751,179 plus US \$77,291 in agency fees;
- Project transfer requests, namely:

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issue of the document.

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- Phase-out of CTC as process agent in the elimination of nitrogen trichloride during chlorine production at Prodesal S.A.” (COL/PAG/47/INV/64);
- National ODS phase-out plan in Cuba (CUB/PHA/45/INV/30 and 31, and CUB/PHA/43/TAS/25 and 27);
- Project preparation for a fumigant (methyl bromide) project in Zimbabwe (ZIM/FUM/45/PRP/31); and
- Total resources available for the 48th Meeting.

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

1. Note the report on balances and availability of resources contained in UNEP/OzL.Pro/ExCom/48/4;
2. Note the net level of funds being returned by the multilateral implementing agencies to the 48th Meeting against project balances totalling US \$751,179 that include: the return of US \$372,434 from UNDP; US \$136,537 net of reimbursement of funds previously returned in error for three projects from UNEP; US \$247,596 from UNIDO; and US \$5,388 reimbursement to the World Bank to account for the funds previously returned in error for one project.
3. Note the net level of support costs being returned by the multilateral implementing agencies to the 48th Meeting against project support cost balances totalling US \$77,291 that include: the return of US \$46,296 from UNDP; US \$10,279 net of reimbursement of support costs previously returned in error for three projects from UNEP; US \$28,323 from UNIDO; and US \$7,607 reimbursement to the World Bank to account for the support costs previously returned in error for one project;
4. Note that implementing agencies had balances totalling US \$11,812,361 excluding support costs from projects completed over two years ago: UNDP--US \$824,798 plus support costs; UNEP--US \$119,467 plus support cost; UNIDO--US \$165,063 plus support cost; and the World Bank--US \$10,703,033 plus support costs;
5. Note the transfer of US \$114,480 plus agency fees of US \$10,303 from the World Bank to UNDP for the project “Phase-out of CTC as process agent in the elimination of nitrogen trichloride during chlorine production at Prodesal S.A.” (COL/PAG/47/INV/64) and endorse the resulting adjustments to the transfers from the 48th Meeting;
6. Note that US \$192,547 plus agency support costs of US \$25,031 in bilateral cooperation for Germany approved in the 2003 to 2005 triennium for the national ODS phase-out plan in Cuba, including US \$116,000 plus agency support costs of US \$15,080 from the 2005 annual implementation plan (CUB/PHA/45/INV/30) plus US \$76,547 plus agency support costs of US \$9,951 from the first tranche of the plan (CUB/PHA/43/TAS/25) should be offset against future approvals for Germany;
7. Note that US \$319,681 plus agency support costs of US \$41,559 in bilateral cooperation for France approved in the 2003 to 2005 triennium for the National ODS Phase-out Plan in Cuba, including US \$200,000 plus agency support costs of US \$26,000 approved at the

45th Meeting for the 2005 annual implementation plan (CUB/PHA/45/INV/31) plus the remaining balance of funds US \$119,681 plus agency support costs of US \$15,559 approved for the first tranche of the plan (CUB/PHA/43/TAS/27), should be offset against approvals for France;

8. Note the transfer of US \$20,000 plus agency fees of US \$1,500 from UNDP to UNIDO for the project preparation for a fumigant (methyl bromide) project in Zimbabwe (ZIM/FUM/45/PRP/31) and request the Treasurer to make the necessary adjustment;
9. Note that US \$38,426,955 (to be updated at the meeting) was available to the Executive Committee for approvals at the 48th Meeting.
- 10. Further consideration of Terms of Reference, Budget and Modalities for a Study Regarding Collection, Recovery, Recycling, Reclamation, Transportation and Destruction of Unwanted ODS in light of the outcome of the meeting of experts and written comments submitted (follow-up to decisions 46/36 and 47/52)**

Document UNEP/OzL.Pro/ExCom/48/42: The report will be issued subsequent to the Meeting of the Experts which will take place from 13-15 March 2006 in Montreal.

Issues to be addressed:

- The Executive Committee might wish to bear in mind decision XVII/17 of the Meeting of the Parties in their discussion.

Action expected from the Executive Committee: the Executive Committee may wish to note the report and discuss the terms of reference for a study regarding collection, recovery, recycling, reclamation, transportation and destruction of unwanted ODS (follow-up to decision 46/36 and 47/52) in light of the conclusions presented in the experts' report annexed to document UNEP/OzL.Pro/ExCom/48/42.

- 11. Report on options for a consistent approach to the application of miscellaneous income, exchange rate losses and gains, and bank charges for funds approved by the Executive Committee and any consequences of alternative approaches (follow-up to decision 47/47)**

Document UNEP/OzL.Pro/ExCom/48/43: provides a description of miscellaneous income, exchange rate losses and gains, and bank charges as used by each agency and the Treasurer. It also suggests adjustments to be made based on the review of these accounting terms, and provides a common approach for addressing these types of charges in the future.

Issues to be addressed:

- Possibility of un-approved expenditures due to the offsetting of interest collected on Fund balances; and
- Confirmation on whether costs approved for implementing agencies should be classified as either project or administrative costs.

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

1. Noting the Report on options for a consistent approach to the application of miscellaneous income, exchange rate losses and gains, and bank charges for funds approved by the Executive Committee, and any consequences resulting from alternative approaches (follow-up to decision on financial planning for the triennium 2006-2008 as contained in UNEP/OzL.Pro/ExCom/48/43);
2. Confirming that the costs approved for implementing agencies should be classified as either project or administrative costs; and
3. Requesting that all implementing agencies that have any costs that have been charged to their Multilateral Fund accounts, which were not assigned to either project or administrative costs, report on these levels of costs in the context of the 2005 reconciliation of accounts to be submitted to the 50th Meeting.
