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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

Corrigendum

REPORT OF THE FORTY-EIGHTH MEETING OF THE EXECUTIVE COMMITTEE

This document is issued to:

- Replace page 19 of Annex IX with the attached page.

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.

For reasons of economy, this document is printed in a limited number. Delegates are kindly requested to bring their copies to the meeting and not to request additional copies.

**ADJUSTMENTS ARISING FROM THE 48TH MEETING OF THE EXECUTIVE COMMITTEE FOR
PROJECTS AND ACTIVITIES**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
France (per decision 48/2(g))*	319,681	41,559	361,240
Germany (per decision 48/2(f))*	192,547	25,031	217,578
UNDP (per decision 48/2(b)&(c))	372,434	46,296	418,730
UNEP (per decision 48/2(b)&(c))	136,537	10,279	146,816
UNIDO (per decision 48/2(b)&(c))	247,596	28,323	275,919
World Bank (per decision 48/2(b)&(c))	(5,388)	(7,607)	(12,995)
Total	1,263,407	143,881	1,407,288

*Returns from 2003-2005 triennium

**ADJUSTMENTS ARISING FROM THE 48TH MEETING OF THE EXECUTIVE COMMITTEE FOR
TRANSFERRED PROJECT**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNDP (per decision 48/2(h))	(20,000)	(1,500)	(21,500)
World Bank (per decision 48/2(e))	(114,480)	(10,303)	(124,783)

**NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS BASED
ON DECISIONS OF THE 48TH MEETING OF THE EXECUTIVE COMMITTEE**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Canada (1)	30,000	3,900	33,900
France (2)	40,319	5,241	45,560
Germany (3)	3,473,045	368,310	3,841,355
Japan (4)	700,000	91,000	791,000
UNDP	4,285,261	319,898	4,605,159
UNEP	1,216,033	64,861	1,280,894
UNIDO	2,650,225	189,764	2,839,989
World Bank	49,247,711	3,704,370	52,952,081
Total	61,642,594	4,747,344	66,389,938

(1) Net amount for Canada to be applied in 2006

(2) Net amount for France to be applied to the 2003-2005 triennium

(3) Net amount for Germany of US \$2,894,744 to be applied in 2006 and US \$946,611 in 2007

(4) Net amount for Japan to be applied to the 2003-2005 triennium

Note: No bilateral allocation should exceed 20 per cent of the annual contribution amount

Secretariat budget (2006, 2007 and 2008)

Total additional commitments (per decision 48/39)	US \$637,373
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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

**REPORT OF THE FORTY-EIGHTH MEETING OF THE
EXECUTIVE COMMITTEE**

Introduction

1. The 48th Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization (ICAO) in Montreal from 3 to 7 April 2006.
2. The Meeting was attended by representatives of the following countries, members of the Executive Committee, in accordance with decision XVII/44 of the Seventeenth Meeting of the Parties to the Montreal Protocol:
 - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Australia (Vice-Chair), Belgium, the Czech Republic, Italy, Japan, Sweden and the United States of America;
 - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Brazil, Burundi, Guinea, India, Mexico, the Syrian Arab Republic (Chair) and Zambia.
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth Meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), (as implementing agency), the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the Meeting as observers.
4. The Meeting was attended by the President of the Bureau of the Meeting of the Parties and by the President of the Implementation Committee.

5. The Monitoring and Compliance Officer of the Ozone Secretariat was also present.
6. One representative of the Alliance for Responsible Atmospheric Policy and one of the Environmental Investigation Agency attended as observers.

AGENDA ITEM 1: OPENING OF THE MEETING

7. The Meeting was opened at 10:00 am on Monday, 3 April 2006, by the Chair, Mr. Khaled Klaly (Syrian Arab Republic), who welcomed the participants to Montreal. He highlighted the issue of resource allocation for the 2006-2008 triennium, saying that the compliance needs of Article 5 countries and the timely provision of funds to meet the 2010 phase-out targets should be at the heart of the Executive Committee's determination of how and when the replenishment funding was to be allocated. Given the strategic implications of business planning, the Committee was also called upon to provide clear guidance to the implementing agencies to facilitate the achievement of the policy goals of the Multilateral Fund.

8. Other agenda items included the evaluation reports on refrigerant management plans and on CTC process agent projects; requests for funding tranches of production sector projects, with verification that agreed consumption limits had been met; and terms of reference for a study on unwanted ODS, including destruction. Furthermore, financial matters required particular attention. The total resources available for commitment (US \$41.7 million) were considerably less than the total funding requested in submissions to the Meeting (US \$70 million). Donor countries were therefore urged to make every effort to pay their contributions, particularly outstanding ones, as early as possible so that disbursement in full could take place with a minimum of delay. Following project approval, the Secretariat would provide a summary of the financial situation and inform the Committee of whether there was a need to consider deferral of any disbursements.

9. Finally, 2006 would mark 15 years since the Multilateral Fund's establishment in Montreal, hosted by the Government of Canada. It would also be the year in which the Executive Committee would hold its 50th Meeting. An opportunity was at hand to celebrate those milestones and the work of creating real change for the environment.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

10. The Executive Committee adopted the following agenda on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/48/1:
 1. Opening of the meeting.
 2. Organizational matters:
 - (a) Adoption of the agenda;

- (b) Organization of work.
- 3. Secretariat activities.
- 4. Status of contributions and disbursements.
- 5. Status of resources and planning:
 - (a) Report on balances and availability of resources;
 - (b) Financial planning.
- 6. 2006-2008 business plans:
 - (a) Consolidated business plan of the Multilateral Fund;
 - (b) Business plans of the implementing agencies:
 - (i) Bilateral agencies;
 - (ii) UNDP;
 - (iii) UNEP;
 - (iv) UNIDO;
 - (v) World Bank.
- 7. Programme implementation:
 - (a) Monitoring and evaluation:
 - (i) Final report on the intermediate evaluation of refrigerant management plans and national phase-out plans in non-low-volume-consuming countries focusing on the refrigeration servicing sector;
 - (ii) Recommendations contained in the Report of the Executive Committee on the Evaluation of Customs Officers Training and Licensing System Projects to the Twenty-fifth Meeting of the Open-ended Working Group (follow-up to decision XVII/16, paragraph 8, of the Seventeenth Meeting of the Parties to the Montreal Protocol);
 - (iii) Issues related to project completion reports (follow-up to decision 47/6);
 - (iv) Desk study on the evaluation of CTC process agent projects and phase-out agreements;

- (b) Project implementation delays;
 - (c) Annual tranche submission delays (follow-up to decision 47/50);
 - (d) Report on implementation of approved projects with specific reporting requirements.
8. Project proposals:
- (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Work programmes and amendments:
 - (i) UNDP work programme for 2006;
 - (ii) Amendments to UNEP work programme for 2006;
 - (iii) UNIDO work programme for 2006;
 - (iv) World Bank work programme for 2006;
 - (d) Investment projects:
 - (i) Chiller demonstration projects;
 - (ii) Other investment projects.
9. Country programmes.
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).
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).
12. Revised 2006, 2007 and 2008 budgets of the Fund Secretariat.
13. Other matters.
14. Adoption of the report.
15. Closure of the meeting.

(b) Organization of work

11. The Executive Committee agreed to follow its customary procedures.
12. The Committee agreed to set up an open-ended contact group to deal with two process agent projects in China, namely, phases I and II of the phase-out of production and consumption of CTC for process agent and other non-identified uses, in light of the interpretation of decision XVII/6 of the Seventeenth Meeting of the Parties, to be chaired by the representative of the United States of America.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

13. The Chief Officer drew the Meeting's attention to document UNEP/OzL.Pro/ExCom/48/2, which described the activities of the Secretariat since the 47th Meeting. She indicated that, in addition to 20 documents (other than project proposals) prepared by the Secretariat for the present Meeting, the draft primer originally submitted to the 47th Meeting (UNEP/OzL.Pro/ExCom/47/58) had been circulated in March 2006 to Executive Committee members following review by members for 2005. This was a living document that would be updated on an ongoing basis. A comprehensive document on financial planning had also been produced (document UNEP/OzL.Pro/ExCom/48/5), and the model rolling three-year phase-out plan had been updated.
14. The Secretariat had also followed up on a number of decisions, as instructed by the Executive Committee. In response to decisions 42/42 and 47/48, the Chief Officer had communicated with UNON and UNEP regarding the Treasurer's functions. The Chief Officer also noted that the Treasurer was unfortunately unable to attend the meeting on this occasion. A document concerning delays in the submission of annual tranches and disbursement of funds for tranches and obligations (UNEP/OzL.Pro/ExCom/48/17 and Corr.1) had been prepared in response to decision 47/50. Following decision 47/52, the Secretariat had made arrangements to hold a meeting of experts to assess the extent of current and future requirements for the collection and disposal of non-reusable and unwanted ODS in Article 5 countries. The report of the meeting was contained in document UNEP/OzL.Pro/ExCom/48/42. The issue of miscellaneous income, exchange rate losses and gains, and bank charges for funds approved by the Executive Committee had been examined by the Secretariat, in cooperation with the implementing agencies and the Treasurer, pursuant to decision 47/47, and a report had been prepared for the current meeting (UNEP/OzL.Pro/ExCom/48/43).
15. The Chief Officer and other members of the Secretariat had attended several meetings, including the Seventeenth Meeting of the Parties in Dakar and the International Conference on Chemicals Management (ICCM) in Dubai. The ICCM meeting had seen the adoption of the Strategic Approach to International Chemicals Management (SAICM), and a request would no doubt be forthcoming for the Executive Committee to consider the Multilateral Fund's potential future contribution to the implementation of the SAICM. There had also been missions to Guatemala and Indonesia.

16. The Chief Officer announced that the Executive Director of UNEP had decided to appoint Ms. Cecilia Mercado to replace Mr. Valery Smirnov, who had retired in September 2005. It was hoped that she would take up her functions within the next couple of months.

17. The Executive Committee took note with appreciation of the report on Secretariat activities.

AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS

18. In the absence of the Treasurer, the representative of the Secretariat introduced the report of the Treasurer on his behalf showing the status of the Fund (UNEP/OzL.Pro/ExCom/48/3/Rev.1) as at 30 March 2006. She said that, at that date, the fund balance stood at US \$40,943,373, which took into account all the funds approved by the Executive Committee up to and including the 47th Meeting. It did not include, however, the payment by the Government of Liechtenstein of approximately US \$8,000 for 2006. As at 30 March 2006, 12 Parties (excluding Liechtenstein) had paid their contributions, seven of which had paid their contributions in full and five in part.

19. She also said that the report showed the status of promissory notes as at 30 March 2006, together with a ledger indicating when promissory notes had been transferred, received and encashed. The report also contained three tables on the status of contributions for 2004, 2005 and 2006 and two tables providing summaries of the status of contributions and other income from 1991 to 2006.

20. Information on the fixed-exchange-rate mechanism (FERM) had been updated to reflect the gain of US \$11,463,867 since the FERM's inception. According to paragraphs 1 and 2 of decision XVII/41, the Parties to the Montreal Protocol had directed the Treasurer to extend the FERM for a further trial period of three years and had advised that Parties choosing to pay in national currencies were to calculate their contributions based on the average United Nations exchange rate for the six-month period commencing 1 July 2004. Parties opting to use the FERM were not to change the selected currency during the course of the triennium and should advise the Treasurer of their decision as early as possible during the first year of the 2006-2008 triennium and before the 49th Meeting of the Executive Committee.

21. The Treasurer had advised all Parties of their obligation to pay their pledged contributions for 2006. Parties seeking clarification of the methodology and assumptions being used by the Treasurer in preparing the report were urged to consult document UNEP/OzL.Pro/ExCom/39/3/Rev.1 on that issue posted on the Multilateral Fund intranet.

22. The absence of the Treasurer was noted by several members. Concern was also expressed by several members about the failure of some Parties to make timely payment of their contributions. The approval of projects depended on the payment of pledges and one member pointed out that this was an obligation. Another member indicated that US \$30 million was due from one Party alone and asked whether Parties needed to make a formal declaration of their intention to use the FERM. The representative of the Secretariat clarified that eligible FERM

users would need to advise the Treasurer through correspondence of their preferred currency of payment under the FERM.

23. Following the discussion, during which a number of Parties announced the imminent payment of their contributions, the Executive Committee decided:

- (a) To note the report of the Treasurer as of 7 April 2006 on the status of contributions and disbursements contained in Annex I to the present report;
- (b) To urge Parties eligible to use the fixed-exchange-rate mechanism option to inform the Treasurer by the 49th Meeting of the Executive Committee of their intention to do so;
- (c) To request the Treasurer to add to his report to the 49th Meeting of the Executive Committee the list of countries opting to use the fixed-exchange-rate mechanism facility in making their contributions to the Fund for the triennium 2006-2008; and
- (d) Also to request the Treasurer to contact Parties with pending contributions urging them to pay their contributions to the Multilateral Fund in full as early as possible in accordance with paragraph 7 of decision XI/6.

(Decision 48/1)

AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING

(a) Report on balances and availability of resources

24. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/48/4 and Add.1, which reported on the return of balances from completed and cancelled projects, some project transfer balances and offsets against bilateral contributions, as well as a summary of the total resources available for programming at the 48th Meeting. He informed members that US \$751,179 in project funds and US \$77,291 in support costs had been returned from completed and cancelled projects. The total amount of funds available for approvals at the 48th Meeting therefore stood at US \$41.7 million as at 30 March 2006. The value of submissions to the Meeting prior to project review was some US \$70 million. Thus, the total level of resources was not sufficient to cover all the requests for funding to be discussed at the 48th Meeting. The subject of availability of resources was further addressed in agenda item 8(a), Overview of issues identified during project review, in document UNEP/OzL.Pro/ExCom/48/19 and Corr.1.

25. In response to concern about the balance of resources from completed and cancelled projects that had still not been returned to the Fund by UNDP, the representative of UNDP stated that 46 projects totalling US \$700,000 had been financially completed and the balance from those projects would be returned to the Fund by the 49th Meeting.

26. On the issue of the transfer from the World Bank to UNDP of the project to phase out carbon tetrachloride (CTC) as a process agent in the elimination of nitrogen trichloride during chlorine production at a plant in Colombia, the implementing agencies involved and the members of the Executive Committee confirmed their understanding that approval of the funding request in decision 47/39 was completely separate from the issue of the World Bank examining technologies and eventual sectoral plans relevant to the phase-out of CTC in the production of chlorine with a view to identifying more cost-effective alternatives, which was also referred to in decision 47/39. The World Bank was planning to conduct such a study and had included it in the agency's 2007 business plan. Therefore only the Colombian project had been transferred to UNDP.

27. Following queries regarding practices for dealing with the disbursement of funding for multi-year projects, the representative of the Secretariat clarified that the interest accrued on money held by the implementing agencies for implementation of such projects was returned to the Fund. The representative of the World Bank explained that the practice of disbursing funds for tranches for multi-year projects depended on the grant agreement concluded with the country in question.

28. Having considered the project transfer requests, the Executive Committee decided to note:

- (a) The report on balances and availability of resources contained in documents UNEP/OzL.Pro/ExCom/48/4 and Add.1;
- (b) The net level of funds being returned by the multilateral implementing agencies to the 48th Meeting against project balances totalling US \$751,179 that included 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;
- (c) 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 included 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;
- (d) That implementing agencies had balances totalling US \$11,812,361, excluding support costs from projects completed over two years previously: UNDP--US \$824,798 plus support costs; UNEP--US \$119,467 plus support costs; UNIDO--US \$165,063 plus support costs; and the World Bank--US \$10,703,033 plus support costs;
- (e) 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 to request the Treasurer to make the necessary adjustments;

- (f) 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), as well as 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;
- (g) 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), as well as the remaining balance of funds totalling 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;
- (h) The transfer of US \$20,000 plus agency fees of US \$1,500 from UNDP to UNIDO for project preparation for a fumigant (methyl bromide) project in Zimbabwe (ZIM/FUM/45/PRP/31) and to request the Treasurer to make the necessary adjustment; and
- (i) That US \$41,771,843 was available to the Executive Committee for approvals at the 48th Meeting.

(Decision 48/2)

(b) Financial planning

29. The representative of the Secretariat presented the document on financial planning (UNEP/OzL.Pro/ExCom/48/5), which addressed the elements of decision XVII/40 of the Seventeenth Meeting of the Parties concerning the 2006-2008 replenishment of the Multilateral Fund. At that meeting, a budget of US \$470 million had been established for the triennium. The document reviewed sources of cash flow, including cash and promissory notes for current year pledges; pledges in arrears; interest collection by the Treasurer and the agencies; the return of balances from completed and cancelled projects; gains/losses due to the FERM; and contributions from countries that had never paid their pledges. He noted that the terms of reference of the Multilateral Fund required the Chief Officer to ensure that at all times expenditures were fully covered by income received.

30. It was pointed out in the document that, during the 2003-2005 replenishment period, 67 per cent of pledged contributions had been paid in the year in which they were due and that on average about half the funds pledged were available in cash for commitment by the Executive

Committee because some promissory notes were not immediately cashable. The representative of the Secretariat said that, if this trend continued during the current triennium, the Executive Committee might not have sufficient cash to commit the budget for the triennium fully. It was suggested that the annual budgets for the triennium should be evenly distributed, avoiding larger amounts at the beginning of the triennium as in 2003-2005, with the possibility of reassessing the issue of cash flow for the 2008 business plans.

31. After some discussion, it was agreed that “front-loading” (i.e. a higher percentage in the first years of the triennium) according to the budgets indicated in the business plans for 2006 and 2007 would in fact be advisable in the first years because of the possible effects on cash flow. The representative of the Secretariat indicated that some of the project submissions in the business plans might not come to fruition in 2006, as had been the case in the previous triennium, enabling funds to be carried over to the following year for new activities.

32. With regard to the US \$59.6 million in arrears indicated in the replenishment for the 2006-2008 triennium, it was explained that the arrears now amounted to US \$38.8 million during 2006 as a carry-over from the 2003-2005 triennium since about US \$21 million in arrears had already been paid.

33. Members discussed the US \$142 million available for new commitments during the 2006-2008 triennium. It was suggested that those funds should be prioritized for Article 5 countries “in non-compliance” or “at risk of non-compliance”. That was, however, considered to be more restrictive than prioritizing those funds according to a country’s compliance needs.

34. As bilateral agencies were entitled to US \$80 million out of the US \$400 million in new contributions, members considered the need to address that level of allocation in the light of the limited resources for the triennium and the funding already indicated in the business plans of the multilateral implementing agencies. Members considered the suggestion of the Secretariat to restrict business activities to those specified in the business plan.

35. After a discussion on cash flow, the receipt of contributions, the budget and resource allocation for 2006-2008, the status of forward commitments and resources available for new activities during 2006-2008, and bilateral contributions, the Executive Committee decided:

- (a) To note the report on financial planning for the 2006-2008 triennium contained in document UNEP/OzL.Pro/ExCom/48/5;
- (b) To adopt a resource allocation of US \$164.47 million in 2006, US \$165.57 million in 2007, and US \$139.96 million in 2008;
- (c) To urge contributing Parties to make payments for the year 2006 by 1 June 2006 in accordance with paragraph 7 of decision XI/6 of the Eleventh Meeting of the Parties, and to enable the full commitment of the US \$470 million budget during the 2006-2008 triennium, as foreseen in decision XVII/40 of the Seventeenth Meeting of the Parties (paragraph 3);

- (d) To urge contributing Parties to pay the arrears amounting to US \$38.8 million remaining from the 2003-2005 triennium during 2006, as the contributing Parties had already paid US \$21 million of the US \$59.6 million in arrears due as part of the 2006-2008 replenishment;
- (e) To urge contributing Parties using promissory notes to enable the Treasurer to accelerate the encashment of promissory notes in accordance with decision 25/2;
- (f) To urge countries with economies in transition that had not paid previously to make their contributions to the Multilateral Fund for the 2006-2008 triennium to facilitate the full implementation of the three-year phase-out plan in order to enable Article 5 countries to comply with the control measures of the Montreal Protocol, and also to avoid shortfalls arising from non-payment or delayed payment of pledged contributions during the compliance period for Article 5 countries;
- (g) To agree that the amount of US \$142 million in resources available for new commitments during the 2006-2008 triennium should be allocated as a first priority for the compliance needs of Article 5 countries; and
- (h) To request that bilateral agencies specify the costs of planned activities in their annual business plans.

(Decision 48/3)

AGENDA ITEM 6: 2006-2008 BUSINESS PLANS

(a) Consolidated business plan of the Multilateral Fund

36. The representative of the Secretariat introduced the consolidated 2006-2008 business plan of the Multilateral Fund (UNEP/OzL.Pro/ExCom/48/6), which covered the bilateral and implementing agencies' 2006-2008 business plans and contained the recommendations of the Fund Secretariat. The document addressed the implementation of ongoing activities and compliance issues in the light of planned activities, HCFC activities, ODS destruction projects, "new projects not required for compliance", as well as performance indicators.

37. Several members expressed concern at the characterization of new projects not required for compliance. In particular, the representative of Japan requested the deletion of the wording "not required for compliance" from other new activities in the business plans and indicated that ODS destruction projects did contribute to compliance as production of ODS was in fact a function of consumption and the definition of production contained ODS destruction. Members also noted that a CTC project approved by the Executive Committee had also funded ODS destruction and several members stressed the importance of ODS destruction to Article 5 countries as they were accumulating used ODS. However, other members emphasized that the issue was not one of eligibility for funding but of the need to achieve compliance with the Protocol and to set priorities during the triennium.

38. Some members suggested that further HCFC surveys would be useful, as countries needed information on the scope of use and the level of consumption. Others stated that these were premature as results were first needed from the surveys already funded as well as the report on the HCFC long-term management study prepared by Germany. It was also pointed out by other members that there were currently no guidelines for HCFC investment projects nor for that matter for the funding of ODS destruction projects. In response to a request for clarification on the expected date of submission of the results from UNDP's HCFC surveys, the representative of UNDP said that UNDP expected to submit the relevant results to the Executive Committee by the end of 2006.

39. It was also stated that the place of metered dose inhalers (MDIs) in national phase-out plans remained unclear and that such activities might not be required in 2006, although some members felt that it was important to retain MDI projects in future business plans.

40. Some members also noted that 26 terminal phase-out management plans (TPMPs) were currently to be considered in the 2007 business plans. They stressed that the TPMPs were directly related to compliance and so needed to be considered in 2006. The implementing agencies were urged to strive to present as many TPMPs as possible to the 50th Meeting of the Executive Committee, at which time they should be approved for a first tranche of funding or at least approved in principle if no funds remained in the 2006 budget at that time.

41. Following the discussion on the funding eligibility of projects, such as HCFC activities and ODS destruction activities, and on the fact that impending control measures made it a priority to fund projects directly related to compliance, such as TPMPs, the Executive Committee decided:

- (a) To note the consolidated 2006-2008 business plan of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/48/6;
- (b) To urge bilateral and multilateral implementing agencies to increase their efforts to implement approved projects to facilitate achieving the 2007 reduction in controlled substances, noting that 42,175 ODP tonnes were scheduled to be phased out in 2006 from approved projects; and
- (c) To request bilateral and implementing agencies to strive to have as many terminal phase-out management plans as possible from their 2007 business plans ready for submission to the 50th Meeting of the Executive Committee, provided that the conditions in decisions 45/54 and 46/17 had been met, and on the understanding that the Executive Committee would consider funding the first tranche of those terminal phase-out management plans should sufficient funds be available.

(Decision 48/4)

42. Several members reiterated the importance and underlined the needs of Article 5 countries for ODS destruction activities. The representative of the United States highlighted the low amounts of non-reusable and unwanted ODS in Article 5 countries identified in the report of the meeting of experts, document UNEP/OzL.Pro/ExCom/48/42 and, as a consequence, the lack

of proven need for ODS destruction projects. Taking into account the discussion under agenda item 10 (see paragraphs 152-161), the Committee removed any such projects from the 2006-2008 business plans of the implementing and bilateral agencies except the project proposed by Japan, which was to be moved from 2006 to 2008. This was in recognition of the research into destruction of ODS carried out to date by Japan, and in order to enable subsequent consideration of the issue by the Executive Committee.

(b) Business plans of the Implementing Agencies

(i) Bilateral agencies

43. The representative of the Secretariat introduced the document on bilateral agencies' business plans for the years 2006-2008 (UNEP/OzL.Pro/ExCom/48/7), in which the Governments of Australia, Canada, France, Germany, Japan and Sweden had provided information on their bilateral activities planned for 2006-2008. Information on annual tranches in the approved multi-year agreement was also included in Switzerland's business plans. Traditional bilateral donors such as Finland, Italy, Spain, the United Kingdom and the United States of America had not submitted business plans.

44. Members discussed the value and activities in Germany's 2006-2008 business plan, which exceeded the 20 per cent level of Germany's contribution by US \$5.7 million. Some members expressed concern that a precedent could be set.

45. The Executive Committee discussed the need for Germany to consult with the African countries concerned regarding compliance requirements associated with the TPMPs identified in the business plan. Should Germany lack sufficient funds in its 20 per cent allocation for the triennium to fund such compliance projects, the relevant countries and the bilateral and multilateral implementing agencies should be consulted regarding transfer of the projects. The multi-year agreements previously approved for funding by the Executive Committee for Germany's bilateral programme would be regarded as a first priority.

46. Members discussed the withdrawal of ODS destruction activities that would have implications for the business plans of Germany and Japan (see paragraphs 152-161 under agenda item 10), and the transfer of funding for ODS destruction activities in the business plan of Japan from the first year of the triennium to the third year to address concerns regarding cash flow.

47. The inclusion of an activity related to combating illegal trade in Sweden's business plan for 2006 was considered, and it was noted that the activity was required, although indirectly, for compliance.

48. The Executive Committee decided:

- (a) To note with appreciation the 2006-2008 business plans on bilateral cooperation submitted by Australia, Canada, France, Germany, Japan and Sweden, as contained in document UNEP/OzL.Pro/ExCom/48/7;

- (b) To maintain the network activity for the Pacific Island Countries included in Australia's business plan;
- (c) To note the fact that the Executive Committee had committed all but US \$35,469 of Germany's 20 per cent bilateral contribution for the 2006-2008 triennium through annual tranches of multi-year agreements due during the current triennium;
- (d) In view of the compliance requirements associated with the TPMPs and another activity required for compliance identified in Germany's business plan, to request the Fund Secretariat to explore with Germany and other agencies the most effective way in which those activities required for compliance in the 13 African countries concerned could be expedited within the allocation of available funds;
- (e) If, by the 49th Meeting, Germany did not have sufficient funds available in its 20 per cent allocation for the triennium to finance projects in its business plans required for compliance with the 2007 and 2010 targets, Germany would consult with the relevant countries and the bilateral and implementing agencies regarding the transfer of those projects. Consequently, a decision on the transfer would be made by all the parties concerned;
- (f) To note that the requirements of the present decision did not adversely affect any existing "in principle approved tranches" of multi-year agreements and any new activity not related to the 2007 and 2010 compliance needs;
- (g) To remove ODS destruction activities from Germany's 2006-2008 business plan;
- (h) To move ODS destruction activities in Japan's business plan from 2006 to 2008, with a cap of US \$200,000 to cover such activities;
- (i) To maintain the inclusion in Sweden's 2006 business plan of an activity related to a network for combating illegal trade.

(Decision 48/5)

(ii) UNDP

49. The representative of UNDP presented UNDP's business plan for the years 2006-2008 (UNEP/OzL.Pro/ExCom/48/8), indicating that proposed activities for 2006 totalled US \$23.2 million, leading to the phase-out of 2,054 ODP tonnes. Total phase-out for the triennium was 4,416 ODP tonnes. All activities were required for compliance and, at the request of countries, included HCFC conversion projects and ODS management/disposal and destruction pilot projects. With regard to performance indicators, the representative of UNDP said that the fact that TPMPs had been split into multi-year agreements to accommodate perceived cash-flow problems should not affect the indicator "number of annual programmes of multi-year agreements approved versus planned". Furthermore, the indicator "percentage of policy/regulatory assistance completed versus planned" was considered by the agency to include

the data covered by the indicator “milestone activities completed for multi-year agreements”, which led to double counting. For its part, the policy assistance indicator required some revision to reflect accurately the fact that UNDP only provided policy assistance in countries where it had institutional strengthening or other ongoing activities. With regard to MDI conversion, the decision made by the Executive Committee at its Seventeenth Meeting (decision 17/7) not to consider any projects to convert any ODS-based capacity installed after 25 July 1995 disqualified the MDI project in Bangladesh’s national phase-out plan. The representative of UNDP raised the question of whether the technological advances cited as justification for this cut-off included CFC-free MDIs as they were neither developed nor commercially available in Article 5 countries in 1995. Finally, the representative of UNDP requested that Annex 2 to UNDP’s business plan be deleted, and that the deletion be recorded in the report of the Meeting.

50. During the discussion, concern was expressed regarding the potential overlap between the methyl bromide information exchange programme proposed by UNDP and UNEP’s activities under the Compliance Assistance Programme (CAP). Coordination was needed before such a project could be considered, and it was noted that UNIDO would also cooperate with UNDP and UNEP on methyl bromide activities. It was also stated that, while HCFC projects were not an immediate priority, it was necessary to begin work in that area. One representative recalled that work on CFCs had started 10 years before the phase-out date and also drew attention to the difficulties that HCFC substitution would entail for Article 5 countries. Another representative argued that they should be based on sustained annual aggregate reductions. The special case of MDI projects could be reconsidered in the light of subsequent decisions by the Executive Committee. With regard to projects for the destruction of unwanted ODS, further debate was required to arrive at a consensus on whether such projects could be considered a priority for compliance. On the issue of performance indicators for policy support, it was suggested that UNDP work with the Secretariat to develop an indicator that would more accurately reflect the agency’s work in that area. Finally, the representative of Guinea requested that the TPMP for Guinea be removed from the business plan as no request had been made by the Guinean Government.

51. Following the discussion, the Executive Committee decided:

- (a) To endorse the 2006-2008 business plan of UNDP, as contained in document UNEP/OzL.Pro/ExCom/48/8, as amended below, while noting that endorsement denoted neither approval of the projects identified therein nor their funding levels;
- (b) To remove:
 - (i) The MDI project preparation in Colombia submitted for 2006;
 - (ii) The global methyl bromide information exchange project to be submitted in 2007, on the understanding that it might be resubmitted in a future amendment to UNDP’s work programme following in-depth coordination between UNDP, UNEP and UNIDO;
 - (iii) ODS destruction projects;

- (iv) HCFC investment projects;
- (v) The terminal phase-out management plan for Guinea;
- (c) To approve the performance indicators for UNDP, as contained in Annex II to the present report, while setting a target of 27 for the number of annual programmes approved, a target of seven for the number of individual projects approved, and a target of 15 for the activities completed for multi-year agreements; and
- (d) To request UNDP to work in coordination with the Secretariat to provide a target for policy and regulatory assistance to countries requesting it to reflect the efforts it planned to undertake in that regard within its approved projects and/or multi-year agreements as appropriate.

(Decision 48/6)

(iii) UNEP

52. The representative of UNEP presented UNEP's business plan for the years 2006–2008 (UNEP/OzL.Pro/ExCom/48/9 and Corr.1), indicating that during 2006 UNEP would continue servicing the operations of 10 regional and sub-regional networks of ozone officers. A total of 540 compliance-related services to Article 5 countries were also planned, and funding of US \$5,277,000 was being requested for institutional strengthening. Project preparation was also requested for the development of TPMPs in 41 countries, and five projects were being proposed to support methyl bromide phase-out. She said that UNEP had prepared a strategic plan for assistance to countries with a baseline consumption of zero for methyl bromide, CTC and TCA, which built upon and complemented the regular work of the CAP. UNEP had also included a new project to promote awareness of non-CFC based MDIs through the organization of regional workshops, as well as technical assistance activities, projects for global chiller awareness and an update of the customs training manual. A new set of performance indicators for the CAP had also been proposed in the business plan.

53. The representative of the World Bank clarified that the joint project with UNEP to initiate a quarantine and pre-shipment survey of methyl bromide for Viet Nam had been withdrawn and should also be removed from UNEP's business plan.

54. In response to questions by members of the Executive Committee, the representative of UNEP clarified that MDI regional development programmes had been prepared in response to decision XVII/14 of the Seventeenth Meeting of the Parties, which had been taken after the budget of the CAP had been set at the 47th Meeting of the Executive Committee. Some members suggested, however, that as the CAP budget had already been modified at the 47th Meeting of the Executive Committee, UNEP could respond to the new priorities set at the Meeting of the Parties and there was no need for additional funding either for the strategy for countries with zero baselines or for MDI regional awareness programmes.

55. Members of the Executive Committee also noted the overlap between the proposed round-table workshop on methyl bromide, the farmer field schools in Africa, and the activities

being proposed by UNDP. The need to support further the long-term management of halon banks, or the halon services currently being offered through the CAP programme, was also questioned. The fact that the performance indicators for UNEP's CAP measure the outcome of activities rather than the number of activities being undertaken was discussed.

56. Some members also suggested that further HCFC surveys were premature as the HCFC baselines would be set only in 2015 and results were first needed from those surveys already funded. Others considered that such surveys provided important information in preparing for the 2016 freeze and noted that it was important to prepare for that freeze as early as possible. One member raised the issue of sustained annual permanent reductions of HCFCs. He noted that the Executive Committee had funded millions of dollars of projects for CFC conversion in the past, which had not led to any permanent annual reduction in CFCs. He said that HCFC surveys could be funded if Article 5 countries would commit to using the results of the surveys to establish the maximum level of eligible funding for the sector, on the understanding that no further funding for HCFC investment projects would be approved except as provided in decisions 17/7 and 27/13 of the Executive Committee.

57. Following the discussion on the round-table workshop on methyl bromide, the farmer field schools in Africa, the strategy for countries with zero baselines, HCFC activities, the MDI regional awareness programmes, the global halon banking project in the 2007 and 2008 business plans, the logical framework analyses, and new CAP performance indicators, the Executive Committee decided:

- (a) To endorse the 2006-2008 business plan of UNEP, as contained in document UNEP/OzL.Pro/ExCom/48/9 and Corr.1, as amended below, while noting that endorsement denoted neither approval of the projects identified therein nor their funding levels;
- (b) To remove:
 - (i) The round-table workshop on methyl bromide in light of funding for methyl bromide already provided through the CAP on the understanding that the project might be resubmitted in a future amendment to UNEP's work programme following in-depth coordination between UNEP, UNDP and UNIDO;
 - (ii) The farmer field schools in Africa on the understanding that they might be resubmitted in a future amendment to UNEP's work programme following in-depth coordination between UNEP, UNDP and UNIDO;
 - (iii) The proposed additional activities in the strategy for countries with zero baselines;
 - (iv) The MDI regional awareness programmes;
 - (v) The support for the long-term management of halon banks;

- (c) To withdraw the HCFC activities from the 2006-2008 business plans for UNEP with the understanding that those activities would be considered at the first meeting of the Executive Committee in 2008 provided that:
- (i) The compliance priorities of Article 5 countries for the triennium had been addressed and there were enough funds remaining from the prioritized activities;
 - (ii) The proposed HCFC surveys were in accordance with Executive Committee guidance based on lessons learned from the approved UNDP surveys and Germany's study in China; and
 - (iii) When considering the allocation of the funds remaining for HCFC activities, the Executive Committee would take into account the level of funding approved by decision XVII/40 of the Seventeenth Meeting of the Parties;
- (d) To request UNEP to implement decision 33/3, paragraph (b)(i), and to provide logical framework analyses with measurable results in advance of, and as an input to, the preparation of its annual business plans;
- (e) To replace the performance indicators agreed in decision 41/93 for the CAP with the following indicators, data, methods of assessment and 2006 targets:

Performance indicator	Data	Assessment	2006 target
Efficient follow-up to regional network/thematic meetings	<ul style="list-style-type: none"> ● List of recommendations emanating from 2006 regional network/thematic meetings. ● Agendas of network/thematic meetings and meeting evaluation questionnaires 	<ul style="list-style-type: none"> ● Implementation rate of those meeting recommendations that are to be implemented in 2006. ● Relevance of topics and their presentation at network/thematic meetings as evaluated by participants 	<ul style="list-style-type: none"> ● 100% implementation ● High score of relevance and presentation
Effective support to National Ozone Units (NOUs) in their work, particularly guidance to new NOUs, including support to the development and introduction of import/export licensing systems covering all controlled substances, including management and enforcement	<ul style="list-style-type: none"> ● List of innovative ways/means/products/services for supporting NOUs in their work, with specification of those destined for new NOUs. ● List of import/export licensing systems in Article 5 countries 	<ul style="list-style-type: none"> ● Number of innovative ways/means/products/services for supporting NOUs in their work, with specification of those destined for new NOUs. ● Overview of the status of import/export licensing systems in Article 5 countries 	<ul style="list-style-type: none"> ● 10 such ways/means/products/services. ● Qualitative description of the progress made in the development and enforcement of import/export licensing systems covering all controlled substances, including management and enforcement

Performance indicator	Data	Assessment	2006 target
Assistance to countries in actual or potential non-compliance (according to decisions of the Meeting of the Parties and/or as per reported Article 7 data and trends analysis)	List of countries in actual or potential non-compliance that received CAP assistance outside network meetings	Number of countries in actual or potential non-compliance that received CAP assistance outside network meetings and results of this assistance (e.g. return to compliance, country prepared action plan, action plan approved by the Meeting of the Parties, Article 7 data reported on time)	All such countries received assistance leading to evident results
Innovation in production and delivery of global and regional information products and services	List of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	Number of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	10 such products and services
Close cooperation between CAP regional teams and bilateral and multilateral implementing agencies working in the region	List of joint missions/undertakings of CAP regional staff with implementing agencies and bilateral agencies	Number of joint missions/undertakings and achieved results (e.g. agreements reached, problems solved, assistance provided)	5 joint missions/undertakings with substantive outcomes in each region

- (f) To approve the performance indicators for UNEP, as contained in Annex III to the present report, while setting a target of 20 for the number of annual programmes of multi-year agreements to be approved and a target of 16 for the number of individual projects to be approved.

(Decision 48/7)

(iv) UNIDO

58. The representative of UNIDO presented UNIDO's business plan for the years 2006-2008 (UNEP/OzL.Pro/ExCom/48/10 and Corr.1). The total amount in the business plan, including forward commitments, new investment and non-investment activities, and core unit funding, came to US \$25 million, including support costs, to phase out 5,900 ODP tonnes. The representative of UNIDO indicated that ODS destruction activities had been withdrawn from its business plan.

59. For new activities in 2006, UNIDO planned to prepare and submit for approval to the Executive Committee four national ODS phase-out plans, seven sector phase-out plans, and two TPMPs, at an estimated value of US \$7.7 million, with an associated ODP phase-out of 870 tonnes.

60. Extensions of institutional strengthening projects for two countries and technical assistance activities for the phase-out of halons in four countries were also included, with a total budget of US \$500,000. A further US \$500,000 for project preparation was also requested. Forward commitments for 2006 amounted to a total of US \$13.5 million.

61. Several activities for maintaining momentum and accelerating phase-out, including the MDI projects in China and Egypt, had been postponed to the later years of the current triennium.

62. The representative of UNIDO indicated that, pursuant to a last-minute request, a TPMP for Guinea would be added to the UNIDO business plan for 2007.

63. On the one hand, it was stated that HCFC surveys must, as a condition, be based on sustained annual aggregate reductions, while on the other, it was pointed out that the surveys were not investment projects but a means of gathering information.

64. Several members expressed the view that methyl bromide reduction must remain a priority for countries that were accelerating their 2015 phase-out target.

65. Members discussed the eligibility of a compressor project in the Islamic Republic of Iran, noting that there was no impact on phase-out.

66. Following the discussion, the Executive Committee decided:

- (a) To endorse the 2006-2008 business plan of UNIDO, as contained in documents UNEP/OzL.Pro/ExCom/48/10 and Corr.1, as amended below, while noting that endorsement denoted neither approval of the projects identified therein nor their funding levels:
 - (i) To maintain projects for countries that had received support for achieving the 2005 methyl bromide control measures during the 2006-2008 triennium in the light of commitments to advance a country's methyl bromide phase-out significantly before the year 2015;
 - (ii) To remove project preparation leading to a compressor project in Iran that had received support for a CFC phase-out agreement;
 - (iii) To add a terminal phase-out management plan for Guinea to the 2007 business plan of UNIDO;
 - (iv) To remove ODS destruction activities;
 - (v) To withdraw the HCFC activities with the understanding that those activities would be considered at the first meeting of the Executive Committee in 2008, provided that:
 - a. Compliance priorities of Article 5 countries for the triennium had been addressed and there were enough funds remaining from the prioritized activities;
 - b. The proposed HCFC surveys were in accordance with Executive Committee guidance, based on lessons learned from the approved UNDP surveys and Germany's bilateral study in China;

- c. When considering the allocation of the funds remaining for HCFC activities, the Executive Committee would take into account the level of funding approved by decision XVII/40 of the Seventeenth Meeting of the Parties;
- (b) To approve the performance indicators for UNIDO, as contained in Annex IV to the present report, while setting a target of 29 for the number of annual programmes approved and a phase-out target for individual projects of 1,119.4 ODP tonnes for 2006; and
- (c) To request UNIDO to work in coordination with the Secretariat to provide a target for policy and regulatory assistance to countries requesting it to reflect the efforts it planned to undertake in that regard within its approved projects and/or multi-year agreements as appropriate.

(Decision 48/8)

(v) World Bank

67. The representative of the World Bank presented the Bank's business plan for the years 2006-2008 (UNEP/OzL.Pro/ExCom/48/11 and Corr.1), indicating that total deliverables for 2006 were US \$81.5 million including support costs, to phase out approximately 27,000 ODP tonnes of ODS. Projects included 25 investment projects in 16 countries, 20 annual programmes under multi-year agreements, three new multi-year agreements and support for the implementation of four institutional strengthening projects. Planned disbursements for 2007 and 2008 amounted to US \$68 million and US \$42 million respectively for tranches of previously approved multi-year agreements that would phase out a total of 46,000 ODP tonnes. With regard to performance indicators, the World Bank questioned the usefulness of the indicator on policy support as it had no stand-alone policy activities. While all of the agency's multi-year agreements had policy components for which it provided support, its performance in that respect was, in its view, covered by the indicator on activities completed for multi-year agreements.

68. During the discussion, it was pointed out that the proposed methyl bromide phase-out project in Ecuador should only be approved if the country committed to accelerating phase-out as it already had an agreement with the Executive Committee to sustain phase-out and could not receive additional funds to address newly discovered imports. The study on the phase-out of CTC in the chlor-alkali sector was considered to be of great importance and should therefore be completed as soon as possible, preferably in 2006. With regard to the pharmaceutical project in China, the fact that the country had committed to accelerated CFC phase-out in 2007 made it possible to maintain the project in the business plan. Finally, it was suggested that the World Bank work, in coordination with the Secretariat, should develop performance indicators that reflected the agency's policy support activities more accurately.

69. Following the discussion, the Executive Committee decided:

- (a) To endorse the 2006-2008 business plan of the World Bank, as contained in document UNEP/OzL.Pro/ExCom/48/11 and Corr.1, as amended below, while

noting that endorsement denoted neither approval of the projects identified therein nor their funding levels:

- (i) To maintain the methyl bromide project in Ecuador, conditional on a commitment by the Government of Ecuador to accelerate its methyl bromide phase-out;
- (ii) To move the study on phase-out of CTC in the chlor-alkali sector from the 2007 business plan to the 2006 business plan;
- (b) To note the decision of the Government of Ecuador to include a methyl chloroform (TCA) phase-out project in the World Bank's 2007 business plan instead of the business plan for 2006;
- (c) To approve the submission of the pharmaceuticals project in China at the last meeting in 2006, should any funds become available;
- (d) To approve the performance indicators for the World Bank, as contained in Annex V to the present report, while setting a target of 23 for the number of annual programmes approved and a target of 20 for the number of milestone activities to be completed; and
- (e) To request the World Bank to work in coordination with the Secretariat to provide a target for policy and regulatory assistance to countries requesting it to reflect the efforts it planned to undertake in that regard within its approved projects and/or multi-year agreements as appropriate.

(Decision 48/9)

70. The representative of Brazil wished to have a statement included in the report to the effect that decisions 48/6, 48/7 and 48/8 regarding HCFC activities should not prejudice any future decisions by the Executive Committee on the issue.

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION

(a) Monitoring and evaluation

(i) Final report on the intermediate evaluation of refrigerant management plans and national phase-out plans in non-low-volume-consuming countries focusing on the refrigeration servicing sector

71. The Senior Monitoring and Evaluation Officer presented the final report on the intermediate evaluation of refrigerant management plans (RMPs) and national phase-out plans in non-low-volume-consuming countries focusing on the refrigeration servicing sector (UNEP/OzL.Pro/ExCom/48/12). He said that, as was the case with low-volume-consuming countries, RMPs had played an important role in establishing both legal frameworks and training

programmes for technicians and customs officers. He also noted that, while some countries were in advance of their phase-out obligations, they had been late in addressing the servicing sector and needed to eliminate the remaining CFC consumption. The results of recovery and recycling projects had in most cases fallen short of expectations and recycling centres were rarely being used. He also said that, although national phase-out plans had been country-driven by design, they apparently did not enhance stakeholder participation, a subject requiring further analysis.

72. The representative of Brazil remarked that the 13 recycling machines delivered to Colombia had not been installed in recycling centres in Colombia, but in workshops where they were being used.

73. The representative of Mexico noted that Cuba had met its 50 per cent reduction step for CFC consumption in 2005.

74. The representative of Guinea indicated that paragraph 9 of document UNEP/OzL.Pro/ExCom/48/12 should include the ban on the import and export of both second-hand and new CFC-based refrigeration equipment.

75. The representative of Italy said that all countries receiving assistance for refrigerant recovery projects should provide the Executive Committee with an updated report in the revised country programme format approved at the 46th Meeting on the actual amounts of CFCs recovered. She also said that comprehensive information on the status and approach for monitoring recovered CFCs and, where relevant, possible adjustments of implementation strategies, should be provided regularly within the annual work programmes.

76. The representative of UNEP considered that it was important to design and implement, when feasible, activities aiming at more sustained reduction and elimination of emissions in the refrigeration servicing sectors. Such activities included the establishment of compulsory certification schemes, the development of codes of good practice, the upgrading of national vocational and technical curricula and the strengthening of the role of relevant national associations or committees. He also said that it was necessary to upgrade national testing capacities to accommodate the testing and identification of blended refrigerants, and other ODS, that could not be clearly identified by the portable identification kits currently being used.

77. Following the discussion, the Executive Committee decided:

- (a) To note with appreciation the final report on the intermediate evaluation of refrigerant management plans and national phase-out plans in non-low-volume-consuming countries focusing on the refrigeration servicing sector contained in document UNEP/OzL.Pro/ExCom/48/12; and

- (b) To request the Senior Monitoring and Evaluation Officer to develop a comprehensive and categorized compendium of recommendations relevant to that evaluation, distinguishing between new recommendations and those that had already been approved by the Executive Committee, and to present that compendium to the 49th Meeting of the Executive Committee.

(Decision 48/10)

(ii) Recommendations contained in the Report of the Executive Committee on the Evaluation of Customs Officers Training and Licensing System Projects to the Twenty-fifth Meeting of the Open-ended Working Group (follow-up to decision XVII/16, paragraph 8, of the Seventeenth Meeting of the Parties to the Montreal Protocol)

78. The Senior Monitoring and Evaluation Officer presented the recommendations contained in the report of the Executive Committee on the evaluation of customs officers training and licensing system projects to the Twenty-fifth Meeting of the Open-ended Working Group (UNEP/OzL.Pro/ExCom/48/13). He said that the report had been prepared in response to decision XIV/7 of the Fourteenth Meeting of the Parties and had been presented to the Twenty-fifth Meeting of the Open-ended Working Group in June 2005.

79. The representative of Brazil said that paragraph 8(b) of document UNEP/OzL.Pro/ExCom/48/13 needed to be modified to include the phrase “where feasible” before the words “in cooperation with other relevant government ministries/agencies:”.

80. The representative of the Czech Republic said that a workshop on illegal trade in chemicals that furthered the work of the SAICM would be held in Prague during November 2006.

81. Following a discussion, the Executive Committee decided:

- (a) To take note of the recommendations contained in the report of the Executive Committee on the evaluation of customs officers training and licensing system projects to the Twenty-fifth Meeting of the Open-ended Working Group (follow-up to decision XVII/16, paragraph 8, of the Seventeenth Meeting of the Parties to the Montreal Protocol), as contained in document UNEP/OzL.Pro/ExCom/48/13;
- (b) To submit the recommendations listed under paragraph 8(b) in document UNEP/OzL.Pro/ExCom/48/13, as amended to include the phrase “where feasible” before the words “in cooperation with other relevant government ministries/agencies:” to the Ozone Secretariat in the context of the ongoing studies and discussions on how best to deal with illegal trade in ODS;
- (c) To request implementing agencies and bilateral agencies to prepare and implement national phase-out plans and terminal phase-out management plans in a manner that would ensure, where feasible, implementation of the

recommendations listed under paragraph 8(b), and to implement the recommendations listed under paragraph 8(c) in document UNEP/OzL.Pro/ExCom/48/13; and

- (d) To request UNEP to implement the recommendations under paragraph 8(d) in document UNEP/OzL.Pro/ExCom/48/13.

(Decision 48/11)

(iii) Issues related to project completion reports (follow-up to decision 47/6)

82. The Executive Committee considered the report on issues related to project completion reports (PCRs) (follow-up to decision 47/6), contained in document UNEP/OzL.Pro/ExCom/48/14 and Add.1, as presented by the Senior Monitoring and Evaluation Officer. The report provided information on progress achieved with regard to establishing consistency and full information in PCRs submitted, collecting PCRs for projects completed before the end of 2002 and identifying reasons as to why PCRs had not been submitted. It also presented guidelines for PCR reporting of non-investment projects and recommended how to make best use of the lessons learned.

83. The Executive Committee decided:

- (a) To take note of the report on issues related to project completion reports (follow-up to decision 47/6) as presented in document UNEP/OzL.Pro/ExCom/48/14 and Add.1;
- (b) To request:
 - (i) Bilateral and multilateral implementing agencies to incorporate project completion report data collection and reporting obligations into contracts with their consultants and the beneficiary enterprises or institutions, as appropriate, so as to ensure that all required project completion report data were provided to the agency on time and with the information required;
 - (ii) UNEP to ensure that, whenever appropriate, representatives from industry and other stakeholders were invited to regional network meetings to address relevant lessons learned on technology transfer and development of substitute technologies as a means of exchanging information and expertise;
 - (iii) Implementing agencies:
 - a. To disseminate information on local/national equipment manufacturers in some Article 5 countries that produced equipment suitable for small- and medium-sized enterprises at competitive prices;

- b. To consider carefully socio-cultural, political and administrative differences between participating countries when preparing regional projects in order to avoid delays, and to encourage where possible the exchange of ideas and experiences rather than regional projects;
 - c. To ensure that the financial and market implications of conversion projects were appropriately planned for, and to consider mitigating measures where necessary;
 - d. To ensure that beneficiary enterprises fully understood all project implementation procedures and costs, and to agree with them, where appropriate, on specific completion deadlines for complementary activities such as installation of additional new equipment or construction of buildings for site relocation;
 - e. To include lessons learned in the progress reports of annual implementation programmes, given that multi-year projects were currently the main modalities for project implementation; and
- (iv) The Senior Monitoring and Evaluation Officer to include such lessons learned in the consolidated project completion report in addition to those reported in project completion reports.

(Decision 48/12)

(iv) Desk study on the evaluation of CTC process agent projects and phase-out agreements

84. The Executive Committee considered the report on the desk study on the evaluation of CTC process agent projects and phase-out agreements (UNEP/OzL.Pro/ExCom/48/15), presented by the Senior Monitoring and Evaluation Officer. The study focused on CTC used as process agents and on CTC production. It also established an initial assessment of progress achieved based on project documents and on the progress and completion reports received. The study further identified the main evaluation issues to be covered and suggested a tentative work plan for the field phase.

85. The representative of Sweden requested that paragraph 54 of document UNEP/OzL.Pro/ExCom/48/15 be modified so that the country visits to China, India, the Democratic People's Republic of Korea and Pakistan include meetings with all producers, and selected consumers of CTC.

86. The representative of India said that it was important that the objectives of the evaluation were clearly stated, and doubted that an analysis of supply and demand of CTC worldwide and of the volumes and trends of CTC exports from all CTC-producing countries had to be reviewed. He also said that, given that the use of CTC for the manufacture of DV acid chloride was not

considered as a process agent or controlled substance by the Parties, India could not agree with the statement in paragraph 30 of document UNEP/OzL.Pro/ExCom/48/15 that CTC in that application acted partly as a process agent and partly as feedstock, or that its use resulted in release into the atmosphere of a substantial quantity of CTC. He wished it reflected in the report that that there had been a lack of consensus on those issues.

87. The Senior Monitoring and Evaluation Officer explained that visits to all CTC producers would be undertaken to the extent possible and that the analysis of CTC exports and imports worldwide served to provide the context for the evaluation of the phase-out achieved and targeted by approved projects and agreements. He also said that it was up to each Party to declare CTC applications as feedstock or process agent, and that he looked forward to receiving the technical analysis prepared by national consultants in India on CTC use for DV acid chloride production.

88. Following the discussion, the Executive Committee decided to take note of the desk study on the evaluation of CTC projects and phase-out agreements contained in document UNEP/OzL.Pro/ExCom/48/15, including the proposed evaluation issues and work plan for the second phase of the evaluation.

(Decision 48/13)

(b) Project implementation delays

89. The Executive Committee considered the report on project implementation delays (UNEP/OzL.Pro/ExCom/48/16), which was introduced by the representative of the Secretariat. The document dealt not only with projects with implementation delays, but also projects for which additional status reports had been requested and a project proposed for possible cancellation at the present Meeting.

90. Concerning the refrigeration project in Serbia and Montenegro (YUG/REF/34/INV/13), the Secretariat noted that some progress had been made, as reported by the Government of Italy. The Secretariat also informed the Executive Committee that the Government of Bangladesh had signed the agreement for the portion of its National Phase-Out Plan to be implemented by UNEP.

91. Following a discussion in which clarification was provided regarding the halon banking project in India implemented by Australia and Canada, the regional halon project in Africa implemented by Germany, and the regional halon project for Africa implemented by UNDP, the Executive Committee decided to note:

- (a) With appreciation the additional status reports and the reports on projects with implementation delays submitted to the Secretariat by Australia, Canada, France, Germany, Italy, Sweden and the four implementing agencies, as contained in the document on project implementation delays (UNEP/OzL.Pro/ExCom/48/16);

- (b) That the Secretariat and implementing agencies would take established actions according to the Secretariat’s assessments (progress, some progress, or no progress) and report to and notify governments and implementing agencies as required;
- (c) The completion of 14 out of the 56 projects listed with implementation delays;
- (d) That letters of possible cancellation, or where appropriate letters of concern, should be sent for the following projects:

Agency	Code	Project Title
UNEP	GLO/ARS/39/TAS/246	Development of guidelines to promote safety aerosol conversions
UNEP	GLO/SEV/39/TAS/247	Assistance for regional awareness-raising
UNEP	KEN/SEV/37/TAS/29	Policy and technical assistance in Kenya
UNIDO	BHE/FOA/39/INV/15	Phase-out of CFC-11 by conversion to n-pentane in the manufacture of rigid foam products for insulating purposes at Stirokart Co. in Bosnia and Herzegovina

- (e) The cancellation of the multi-year project “Phase-out of all remaining uses of methyl bromide in soil application pest control in Chile” implemented by the World Bank, as indicated in paragraph 97 (b)(i) of the report of the 48th Meeting of the Executive Committee.

(Decision 48/14)

(c) Annual tranche submission delays (follow-up to decision 47/50)

92. The representative of the Secretariat presented the report on annual tranche submission delays (follow-up to decision 47/50) (UNEP/OzL.Pro/ExCom/48/17 and Corr.1). The report contained information on submissions of annual tranches of multi-year agreements, including reasons for submission delays of annual tranches and new due dates for delayed tranches.

93. During the discussion, concern was expressed that the proposed letters to governments urging the submission of delayed annual tranches might be perceived as a sign of inflexibility on the part of the Executive Committee in cases where the delays were of an administrative nature. It was pointed out, however, that such letters were to serve as reminders and could provide an opportunity for countries to explain the reasons for delays. In the event that the cause of a given delay had been resolved, the corresponding letter could mention that fact, particularly if the delay had been resolved by an Executive Committee decision. The letters would also fulfil an information tracking function. The difficulties created by submitting annual tranche submissions late in the year were also underlined.

94. Following the discussion, the Executive Committee decided:

- (a) To note the information on annual tranches of multi-year agreements submitted to the Secretariat by Germany, UNDP, UNEP, UNIDO, and the World Bank as contained in the documents on annual tranche submission delays (UNEP/OzL.Pro/ExCom/48/17 and Corr.1);

(b) To agree to the changes in due dates for the following annual tranches:

Country	Agency	Sector	Tranche	Mtg. to be submitted	Planned submission date (Mtg.)	Proposed change (Mtg.)	Reason for change
Argentina	UNIDO	CFCs Phase-out	2006	1 st	50 th	3 rd	The earliest date of completion of A7 consumption audit is April/May
Costa Rica	UNDP	Methyl bromide	2006	N/A	55 th	2 nd (2008)	Request for change in timeline per decision ExMOP/1/2
Kenya	Germany	Methyl Bromide (Horticulture)	2006	No meeting specified	49 th	2 nd	Agreement not reached with UNDP & country on companion UNDP project
Korea, DPR	UNIDO	Production	2005	1 st	49 th	2 nd	To accommodate time required to complete performance verification of the previous year
Macedonia	UNIDO	CFCs Phase-out	2006	1 st	49 th	2 nd	To accommodate time required to complete performance verification of the previous year
Mexico	UNIDO	CFCs Phase-out	2006	1 st	50 th	3 rd	The earliest date of completion of A7 consumption audit is April/May
Venezuela	UNIDO	CFCs Phase-out	2006	1 st	50 th	3 rd	The earliest date of completion of A7 consumption audit is April/May

(c) To defer until the 49th Meeting the agreement to change the due dates for the following projects for which letters regarding the change were pending:

Country	Agency	Sector	Tranche	Mtg. to be submitted	Planned submission date (Mtg.)	Proposed change (Mtg.)	Reason for change
Bangladesh	UNDP	ODS Phase-out	2007 due in 2007	N/A	N/A	2 nd (pending letter)	To accommodate time required to complete performance verification of the previous year
Bangladesh	UNEP	ODS Phase-out	2007 due in 2007	N/A	N/A	2 nd (pending letter)	To accommodate time required to complete performance verification of the previous year
Lebanon	UNDP	CFCs Phase-out	2007 due in 2007	1 st	N/A	2 nd (pending letter)	To accommodate time required to complete performance verification of the previous year
Lesotho	Germany	CFCs Phase-out	2005	No meeting specified	50 th	3 rd (pending letter from country & contingent approval of 2005 & 2006 work programme)	Slow disbursement of fund
Mauritius	Germany	ODS Phase-out	2005	No meeting specified	49 th	2 nd (pending letter)	Slow disbursement of fund

(d) To note that 20 out of the 34 annual tranches of multi-year agreements were submitted on time to the 48th Meeting;

(e) To note that letters should be sent for the following annual tranches that were due for submission to the 48th Meeting, with the reasons indicated for the delay, encouraging implementing agencies and the relevant Article 5 countries to resolve the reasons for the delay as soon as possible, where applicable, and to submit those annual tranches, as agreed, to the 49th Meeting as a matter of urgency:

Country	Agency	Sector	Annual tranche	Reason for delay
Cuba	UNDP	ODS Phase-out	2006	Change of implementing agency composition
Ecuador	World Bank	CFCs Phase-out	2006	Delays regarding the management audit
Korea, DPR	UNIDO	Production	2005	Pending verification report
Macedonia	UNIDO	CFCs Phase-out	2006	Pending verification report.

- (f) To note that letters should be sent for the following annual tranches that were due for submission to the 48th Meeting, with the reasons indicated for the delay, where applicable, encouraging implementing agencies and the relevant Article 5 countries to submit those annual tranches, as agreed, to the 50th Meeting without any further delays:

Country	Agency	Sector	Annual tranche	Reason for delay
Argentina	UNIDO	CFCs Phase-out	2006	Pending verification report
Bangladesh	UNDP	ODS Phase-out	2005	Government delayed in signature of project document
Bangladesh	UNEP	ODS Phase-out	2005	Government delayed in signature of project document
Bangladesh	UNDP	ODS Phase-out	2006	Government delayed in signature of project document
Bangladesh	UNEP	ODS Phase-out	2006	Government delayed in signature of project document
Mexico	UNIDO	CFCs Phase-out	2006	Pending verification report
Venezuela	UNIDO	CFCs Phase-out	2006	Pending verification report

- (g) To urge Article 5 countries and agencies to propose annual tranche submissions either to the first or second meetings of the year for new multi-year agreements.

(Decision 48/15)

(d) Report on implementation of approved projects with specific reporting requirements

95. The representative of the Secretariat presented documents UNEP/OzL.Pro/ExCom/48/18 and Add.1. Section I contained progress reports on the implementation of the phase-out of methyl bromide in Guatemala and Honduras and on a UNDP technical assistance programme for Africa for which the Executive Committee's guidance on specific issues was sought. Section II contained specific requests by the Governments of Chile, Costa Rica and Cuba relating to phase-out projects that had been approved and were under current implementation. Consistent with reporting requirements in the agreements governing the majority of methyl bromide projects, and in response to requests from the Secretariat to relevant agencies, Section III contained progress reports on methyl bromide projects in Bolivia, Côte d'Ivoire, the Dominican Republic, Ecuador, Egypt, Jordan, Kyrgyzstan, Turkey and Yemen.

96. The representative of the Secretariat reported on each project and the Executive Committee reviewed each request separately.

97. The Executive Committee decided:

(a) In regard to the methyl bromide projects for which guidance on specific issues was sought:

(i) To request UNIDO to work closely with the Government of Guatemala to identify measures that could accelerate the phase-out of methyl bromide in the country; to continue implementing the methyl bromide phase-out project; and to submit a request for a further revision of the phase-out schedule in the project following a decision by the Meeting of the Parties on the request by Guatemala for a revision of the time-specific benchmarks contained in decision XV/34 of the Fifteenth Meeting of the Parties;

(ii) To approve the request by the Government of Honduras to revise the methyl bromide phase-out schedule in the approved project to be consistent with the schedule in decision XVII/34 of the Seventeenth Meeting of the Parties as indicated in the table below, and to note that UNIDO could submit an action plan and funding requirements to achieve the complete phase-out of methyl bromide in Honduras to the 50th Meeting of the Executive Committee;

To reduce methyl bromide consumption from 340.80 ODP tonnes in 2004 as follows:
To 327.6000 ODP tonnes in 2005
To 295.8000 ODP tonnes in 2006
To 255.0000 ODP tonnes in 2007
To 207.5424 ODP tonnes in 2008

(iii) To take note of the progress report on the implementation of the methyl bromide technical assistance programme in Africa; to request the Secretariat to send a letter urging the Government of the Democratic Republic of Congo to sign the contract with UNDP and submit the work programme to UNDP no later than the end of May 2006; to request the Secretariat to send a letter to the Government of Swaziland requesting the submission of a report by the end of May 2006 delineating current methyl bromide consumption in the country; and to request UNDP to submit a completion report to the 51st Meeting;

- (b) In regard to the special requests for projects under current implementation:
- (i) To approve the request by the Government of Chile for cancellation of the project for the phase-out of all remaining uses of methyl bromide in soil application pest control; to request the World Bank to return to the Multilateral Fund at the 49th Meeting of the Executive Committee US \$691,703 plus agency support costs of US \$51,878 associated with the tranche of the project already funded; to approve the revisions to the agreement between the Government of Chile and the Executive Committee attached as Annex VI to the present report; and to request UNDP to continue implementing the project for the phase-out of methyl bromide in the fruit tree nursery and replant sector and to submit a progress report to the 51st Meeting;
 - (ii) To approve the request by the Government of Costa Rica to revise the methyl bromide phase-out schedule in the agreement between the Government of Costa Rica and the Executive Committee attached as Annex VII to the present report; and to request the Government of Costa Rica and UNDP to include in all future work programmes procedures for accelerating the introduction of full-scale alternative technologies in the melon sector; and
 - (iii) To approve the request by the Government of Cuba to transfer US \$550,645, including agency support costs to UNDP, as the new lead implementing agency selected by the Government of Cuba for the implementation of its national CFC phase-out plan; and to approve the revised agreement between the Government of Cuba and the Executive Committee attached as Annex VIII to the present report;
- (c) In regard to methyl bromide projects with no outstanding issues to take note of the progress reports:
- (i) On the terminal methyl bromide phase-out plan, excluding quarantine and pre-shipment (QPS) applications in Bolivia, on the understanding that UNDP would submit the project completion report prior to the 49th Meeting of the Executive Committee;
 - (ii) On the phase-out of the use of methyl bromide for commodities and storage fumigation in Côte d'Ivoire;
 - (iii) On the phase-out of methyl bromide in melon, flower and tobacco production in the Dominican Republic;
 - (iv) Submitted by the World Bank on the implementation of the technical assistance programme for testing methyl bromide alternatives in soil treatment for the flower-growing industry, and the project for the technology change for the phase-out of methyl bromide in the rose plant

nursery sector in Ecuador, on the understanding that the World Bank would submit project completion reports prior to the 51st Meeting of the Executive Committee;

- (v) On the implementation of the project for national phase-out of methyl bromide in horticulture and commodities fumigation in Egypt, on the understanding that UNIDO would submit a progress report to the 51st Meeting of the Executive Committee;
- (vi) On the implementation of the complete phase-out of the use of methyl bromide in Jordan;
- (vii) On terminal methyl bromide phase-out, excluding QPS applications, in Kyrgyzstan, on the understanding that UNDP would submit a progress report on the implementation of the project to the 50th Meeting of the Executive Committee;
- (viii) On the implementation of the project for the phase-out of methyl bromide in the dried fig sector in Turkey, on the understanding that the World Bank would submit the project completion report prior to the 51st Meeting of the Executive Committee; and
- (ix) On the technical assistance programme for the phase-out of methyl bromide in agriculture in Yemen.

(Decision 48/16)

AGENDA ITEM 8: PROJECT PROPOSALS

(a) Overview of issues identified during project review

98. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/48/19 and Corr.1, containing an overview of issues identified during project review. The document also referred to the likelihood of a shortfall in the level of resources available to approve all projects proposed at the 48th Meeting of the Executive Committee. The exact sum of the shortfall was not known but would be identified before finalization of the report. On the basis of previous practice, when project approval had been completed, the Secretariat would discuss with the relevant agencies options for deferring release of approved funding for one or more projects until the remainder of the required funding had become available.

99. With regard to the policy issue arising from project review concerning the submission of TPMPs for blanket approval, the representative of the Secretariat said that the Executive Committee's advice was being sought on whether TPMPs could be submitted for blanket approval. He explained that almost 70 new TPMPs might be prepared and submitted to future meetings of the Executive Committee. The Secretariat was seeking the view of the Committee

as to whether in future TPMPs that did not raise any policy or other issues could be submitted for blanket approval, or whether the Committee wished to continue considering each proposal individually.

100. The Executive Committee decided that future TPMPs should be submitted for blanket approval, provided that:

- (a) They were in accordance with the relevant policies and decisions of the Multilateral Fund;
- (b) They contained no policy issues; and
- (c) All technical and cost issues had been agreed between the Secretariat and relevant bilateral and/or implementing agencies.

(Decision 48/17)

List of projects and activities for blanket approval

101. The representative of the Secretariat drew attention to the list of projects and activities for blanket approval presented in Annex I to document UNEP/OzL.Pro/ExCom/48/19/Corr.1. The list contained 58 activities in 36 countries to phase out more than 1,000 tonnes of production and consumption at a cost of US \$21.6 million.

102. The project to update UNEP's customs training manual and the halon phase-out programme in Kyrgyzstan, to be implemented by UNIDO, were discussed separately (see paragraphs 113 and 147 respectively).

103. The Executive Committee decided to approve the projects and activities submitted for blanket approval at the level of funding indicated in Annex IX to the present report, with the conditions or provisos included in the corresponding project evaluation sheets, and also with the conditions attached to projects by the Executive Committee. For projects relating to the renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments contained in Annex X to the present report.

(Decision 48/18)

(b) Bilateral cooperation

104. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/48/20, which contained a review of the requests for bilateral cooperation addressed to the 48th Meeting of the Executive Committee by the Governments of Canada, France, Germany, and Japan. Requests for chiller projects were being addressed under agenda item 8(d)(i), "Chiller demonstration projects" (UNEP/OzL.Pro/ExCom/48/25), and the request from Canada for preparation of a TPMP had been subject to blanket approval under agenda item 8(a), "Overview of issues identified during project review" (UNEP/OzL.Pro/ExCom/48/19 and Corr.1).

105. The requests to release tranches under multi-year agreements for Afghanistan and Brazil and for funding the extension of the institutional strengthening project in Papua New Guinea were being presented for individual consideration as the requested level of funding exceeded 20 per cent of Germany's contribution for 2006. That had occurred because the level of the 2006-2008 replenishment had not been known at the time the decision on these activities was taken.

106. The representative of the Secretariat then raised the issue of whether Germany should prepare a project, specifically the proposed TPMP in the Seychelles, that it could not implement without transferring the activities to other implementing agencies.

107. Following a discussion, and in view of the consideration given to this issue under item 6 of the agenda, the Executive Committee decided:

- (a) To approve the annual tranches of multi-year agreements and institutional strengthening requested by Germany with the conditions or provisos included in the corresponding project evaluation sheets as indicated in Annex IX:
 - (i) US \$642,368, plus agency support costs of US \$83,503, for the second tranche of the national phase-out plan in Afghanistan;
 - (ii) US \$1,543,600, plus agency support costs of US \$138,924, for the Germany bilateral share of the third and fourth tranches of the national CFC phase-out plan in Brazil;
 - (iii) US \$1,007,124, plus agency support costs of US \$110,784, for the 2006 annual implementation of the national CFC phase-out plan in the Islamic Republic of Iran, and US \$66,224, plus agency support costs of US \$4,967, for the part implemented by UNIDO;
 - (iv) US \$60,000, plus agency support costs of US \$7,800, for the extension of the institutional strengthening project (phase III) in Papua New Guinea;
 - (v) US \$220,000, plus agency support costs of US \$27,300, for the second phase of the terminal phase-out management plan for ODS in Papua New Guinea;
- (b) To inform the Meeting of the Parties that, with those approvals, Germany had exceeded 20 per cent of its contribution for 2006;
- (c) With regard to the preparation of the terminal phase-out management plan in the Seychelles:
 - (i) To defer consideration of the proposal until the 49th Meeting of the Executive Committee;
 - (ii) To request Germany to discuss the future of the project with the Government of the Seychelles; and

- (iii) To request Germany to obtain a letter from the Government of the Seychelles indicating whether it desired to continue working with Germany as a bilateral agency, and if so, stating its understanding that Germany might not have the necessary funds available to implement the project within the 2006-2008 triennium.

(Decision 48/19)

108. The Executive Committee also decided to request the Treasurer to offset the costs of the bilateral projects approved at the 48th Meeting, in the light of decisions 48/2 and 48/24 as follows:

- (a) US \$33,900 against the balance of Canada's bilateral contribution for 2006;
- (b) US \$406,800 against the balance of France's bilateral contribution for the 2003-2005 triennium, of which US \$361,240 have been offset against returns from the 2003-2005 triennium;
- (c) US \$2,894,744 against Germany's bilateral contribution for 2006, US \$946,611 against Germany's bilateral contribution for 2007, and US \$217,578 for the 2003-2005 triennium, which have been offset against returns from the 2003-2005 triennium; and
- (d) US \$791,000 against the balance of Japan's bilateral contribution for the 2003-2005 triennium.

(Decision 48/20)

(c) Work programmes and amendments

(i) UNDP work programme for 2006

109. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/48/21, containing UNDP's 2006 work programme. Sixteen activities had been submitted by UNDP, including 14 proposals for preparation of TPMPs in low-volume-consuming countries, one request for renewal of an institutional strengthening project and one request for project preparation in the solvent sector in Brazil. All the proposals were recommended for blanket approval and had therefore been considered under agenda item 8(a). There were no other issues for consideration.

(ii) Amendments to UNEP work programme for 2006

110. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/47/22 containing UNEP's 2006 work programme amendments. Twenty-six activities had been submitted by UNEP, including seven requests for renewal of institutional strengthening projects. Twenty-two of the activities were recommended for blanket approval and had been considered under agenda item 8(a). Two activities associated with TPMPs were to be considered under

agenda item 8(d) on investment projects. One proposal for an increase in institutional strengthening funding was for individual consideration, together with one other proposal for renewal of an institutional strengthening project. A project to update UNEP's customs training manual, which had been recommended for blanket approval, was to be discussed separately.

Côte d'Ivoire (phase III, second year): renewal of institutional strengthening

111. The representative of the Secretariat explained that phase III of the institutional strengthening project for Côte d'Ivoire had been approved at the 43rd Meeting for one year only, without prejudice to the operation of the Montreal Protocol's non-compliance mechanism, because of Côte d'Ivoire's non-compliance with Annex E (methyl bromide) control measures at the time. Côte d'Ivoire had now returned to compliance. Following a discussion, the Executive Committee decided to approve the second year of phase III of the institutional strengthening project for Côte d'Ivoire at the level of funding indicated in Annex IX to the present report.

(Decision 48/21)

Yemen (phase IV): increase in institutional strengthening funding

112. The representative of the Secretariat indicated that UNEP had submitted a request for an increase of US \$66,000 for phase IV of Yemen's institutional strengthening project. Phase IV had been approved at the 47th Meeting in the amount of US \$104,000 for two years. He indicated that, at their Sixteenth Meeting, the Parties had approved an increase in the CFC baseline for Yemen from 349.1 ODP tonnes to 1,796.1 ODP tonnes. The baselines for halons and methyl bromide had also been increased. Following a discussion, the Executive Committee decided to approve an increase of US \$66,000 for phase IV of Yemen's institutional strengthening project.

(Decision 48/22)

Global: Updating UNEP's customs training manual

113. One representative questioned the US \$120,000 requested for an update of the customs training manual, stating that the funding requested for an update should not exceed the cost of the original manual, namely US \$60,000. Following a discussion, the Executive Committee decided to approve the update of UNEP's customs training manual at a level of US \$60,000 plus agency support costs of US \$7,800.

(Decision 48/23)

(iii) UNIDO work programme for 2006

114. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/48/23 containing UNIDO's 2006 work programme. UNIDO had submitted ten activities, including one request for renewal of an institutional strengthening project. Eight activities were recommended for blanket approval and had been considered under agenda item 8(a). One project preparation activity for a compressor project in the Islamic Republic of Iran had been considered in the

context of UNIDO's business plan, from which it had been removed because the Islamic Republic of Iran had already received support for a national CFC phase-out plan. It was therefore not considered for approval. There were no other issues for consideration.

(iv) World Bank work programme for 2006

115. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/48/24 containing the World Bank's 2006 work programme, consisting of two requests for renewal of institutional strengthening projects. The two requests were recommended for blanket approval and had been considered under agenda item 8(a). There were no other issues for consideration.

(d) Investment projects

(i) Chiller demonstration projects

116. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/48/25, which contained information regarding a regional chiller demonstration project for Africa submitted by France, Germany, Japan and UNIDO, as lead agency, as well as a global technical assistance programme for the chiller sub-sector submitted by UNEP.

117. The representative of the Secretariat reminded the members of the Executive Committee that in decision 47/26, they had set aside funding for chiller demonstration projects in the African region and had requested UNEP to submit a project proposal to disseminate experience gained in the chiller demonstration projects on a global level. He said that UNIDO proposed to use external funding of 19 per cent of the project costs from the French Global Environment Facility (Fonds Français pour l'Environnement Mondial) and therefore fulfilled the criteria defined by the Executive Committee for such projects. He also said that UNEP's project proposal, which would utilize existing resources not funded by the Multilateral Fund, met the criteria specified by the Executive Committee and appeared to be well structured.

118. The representative of Sweden said that UNEP's Global Technical Assistance Programme should also cover and address, where appropriate, non-HCFC technologies and information.

119. Following a discussion, the Executive Committee decided:

- (a) To approve the chiller demonstration project for the African Region in Cameroon, Egypt, Namibia, Nigeria and Sudan, to replace at least 19 chillers in the region, at the amount of US \$2,000,000 plus support costs of US \$218,887 for France, Germany, Japan and UNIDO, with external resources of US \$477,876, as indicated in Annex IX to the present report, on the understanding that:
 - (i) The external resources associated with the proposal were to be used only for activities considered to be part of the project costs, as indicated in document UNEP/OzL.Pro/ExCom/48/25;
 - (ii) Disbursement of the amounts approved would be dependent upon the availability of external resources, as specified, to be confirmed by the

Secretariat based on the advice from the agency that external funding had been secured. The ratio between the maximum amount of Multilateral Fund resources that could be disbursed and the external resources confirmed by the Secretariat should be equal to the ratio between the amount approved and the corresponding amount of associated external resources as indicated; and

- (iii) Additional countries in Africa could receive support for phase-out in the chiller sector under the project, provided that funding under the project was available, and that all other conditions established by the Executive Committee in its respective decisions regarding chiller demonstration projects were being met;
 - (iv) UNIDO and the bilateral agencies involved would inform the Secretariat on an annual basis, and in time for the last Meeting of the Executive Committee, for every year of project implementation as well as in the year of completion, on progress in terms of implementation, main experiences and additional external resources acquired for the chiller phase-out and major market transformations observed;
- (b) To approve the global technical assistance programme in the chiller sub-sector for UNEP at the amount indicated in Annex IX to the present report.

(Decision 48/24)

(ii) Other investment projects

Projects submitted by Germany

Afghanistan: National phase-out plan: second tranche (Germany)
(UNEP/OzL.Pro/ExCom/48/20)

Brazil: National CFC phase-out plan: third and fourth tranches (Germany)
(UNEP/OzL.Pro/ExCom/48/20)

Iran: National CFC phase-out plan: 2006 annual implementation programme (Germany and UNIDO) (UNEP/OzL.Pro/ExCom/48/33)

Papua New Guinea: Terminal phase-out management plan for ODS: second tranche (Germany) (UNEP/OzL.Pro/ExCom/48/36 and Corr.1)

120. The representative of the Secretariat indicated that the policy issue that affected the above four projects had been discussed, and the funding for the projects approved, under agenda item 8(b) "Bilateral cooperation". In the case of the national CFC phase-out plan for the Islamic Republic of Iran, approval included funding for the component of the project to be implemented by UNIDO.

Production sector

121. Following his presentation on projects for individual consideration, the representative of the Secretariat provided an overview of the status of implementation of phase-out in the CFC production sector in Article 5 countries. In Latin America, Mexico had completed CFC production phase-out by the end of 2005, and Venezuela would complete its CFC production sector phase-out by the end of 2006. The only producing country in Latin America after 2006 would be Argentina, which would be producing at a level of 686 metric tonnes of CFCs a year between 2007 and 2009. In Asia, China would reduce its CFC production to between 12,000 and 13,000 ODP tonnes in 2006 and would cease production by July 2007, apart from about 800 ODP tonnes to cater for the needs of MDI production. One of the four plants in India had already ceased CFC production in 2005 and the remaining ones would reduce CFC production to about 7,400 metric tonnes in 2006. The production of CFCs in the Democratic People's Republic of Korea had also ceased. In Europe, Romania, the only Article 5 producing country, had completed its phase-out of CFC production quite a number of years earlier.

Argentina: Strategy for gradual phase-out of CFC-11 and CFC-12 production: 2006 annual programme (World Bank) (UNEP/OzL.Pro/ExCom/48/26)

122. The representative of the Secretariat indicated that, on behalf of the Government of Argentina, the World Bank had submitted the 2006 annual programme for the strategy for gradual phase-out of CFC-11 and CFC-12.

123. As for the recommendation of the consultant conducting the verification on advancing the complete phase-out schedule of the CFC production in Argentina, the Secretariat advised that it could not be implemented due to the limit placed by the Montreal Protocol on the maximum level of CFC production by Argentina between 2007-2009. As a result, the Secretariat withdrew the recommendation.

124. The World Bank withdrew the project, indicating that it would be resubmitted at the 49th Meeting of the Executive Committee, when more complete verification data would be available.

China: Phase-out of the production and consumption of CTC for process agent and other non-identified uses (phase I): 2006 annual programme (World Bank) (UNEP/OzL.Pro/ExCom/48/28 and Add.1)

125. The convenor of the open-ended contact group established by the members of the Executive Committee to examine the two process agent projects in China provided a report on its consideration of phase I of the 2006 annual programme of the China CTC sector plan. With regard to the procedure employed by the Government of China to identify and verify the CTC used as a feedstock in the production of non-ODS chemicals and new process agent applications, the open-ended contact group had learned that the Government of China had introduced a regulation requiring all producers, dealers and users of CTC to obtain a licence in order to sell and buy CTC. That had led previously unknown users to apply for licences, at which point they were visited by the Chinese authorities to verify the nature and quantity of CTC consumption.

The fact that the process was ongoing explained the variations in the data reported on new feedstock and process agent applications for the year 2005 by the Government of China.

126. Following the report and subsequent discussion, the Executive Committee decided:

- (a) To release the 2006 tranche of the CTC sector plan (phase I) of US \$16 million and the associated support costs of US \$1.2 million to the World Bank, given satisfaction with the process and procedure reported by the State Environment Protection Agency on conducting verifications of CTC feedstock applications for non-ODS chemicals and new process agent applications;
- (b) To approve the revision of the maximum allowable CTC production target in the 2006 annual work programme of the CTC sector plan (phase I) to 28,618 ODP tonnes; and
- (c) To request the World Bank to provide an update in its 2007 annual work programme on the further actions to be taken to reduce the emission level for chlorosulphonated polyefin (CSM) at Jilin Chemical, in view of the lack of success so far.

(Decision 48/25)

China: Sector plan for phase-out of ODS process agent applications (phase II) and corresponding CTC production: 2006 annual programme (World Bank) (UNEP/OzL.Pro/ExCom/48/28 and Add.1)

127. The convenor of the open-ended contact group on process agent projects in China reported on the contact group's deliberations to clarify the implications of decisions XVII/6 and XVII/8 of the Seventeenth Meeting of the Parties in relation to the draft agreement with China for phase II of the China CTC sector plan. The issue had arisen because the identification of potential new process agent applications was linked to significant CTC use in China, which could have implications for China's compliance with the Protocol's control measures for CTC. During its discussions, the open-ended contact group had arrived at the understanding, based on decision X/14 of the Tenth Meeting of the Parties, that the CTC production and consumption related to the new CTC process agent applications covered in decision XVII/8 might not need to be counted as controlled production and consumption in China as long as China's phase II agreement established aggregate emission reduction targets for the newly identified process agent uses in decision XVII/8 at levels that were reasonably achievable in terms of paragraph 3(b) of decision X/14. The open-ended contact group also proposed that a letter be sent to the Parties by the Chair of the Executive Committee explaining the understanding that had been reached and stating that the Executive Committee would report annually to the Parties on whether China had met the agreed emission reduction targets.

128. Following the report and subsequent discussion, the Executive Committee decided:

- (a) To approve the agreement between China and the Executive Committee for the phase-out of ODS process agent applications (phase II), attached as Annex XI to the present report;
- (b) To approve the balance of the 2006 annual work programme of phase II of the sector plan at US \$10 million and US \$750,000 in support costs for the World Bank; and
- (c) To request the Chair of the Executive Committee to write a letter to the Parties, through the Ozone Secretariat, stating that, for the purposes of decision X/14(3)(b) of the Tenth Meeting of the Parties, the Executive Committee agreed that the emission levels of CTC from process agent use set out in the China phase II CTC process agent agreement were levels that met the criterion of being reasonably achievable in a cost-effective manner without undue abandonment of infrastructure. The letter should also state that the Executive Committee would report annually to the Parties in accordance with decision X/14(3)(b) on whether China had met the agreed emission reduction targets.

(Decision 48/26)

129. During the discussion of phases I and II of the 2006 annual work programme for China's sector plan for the phase-out of CTC in process agent applications, it was pointed out that the use of CTC as feedstock for non-ODS chemicals in Article 5 countries had a direct bearing on compliance and required further attention by the Executive Committee to develop a policy to deal with the issue. The study on CTC process agent projects to be carried out by the Multilateral Fund's Senior Monitoring and Evaluation Officer and the study on global emissions of CTC from all potential sources being conducted by the Technology and Economic Assessment Panel (TEAP) could provide input for subsequent consideration of the issue by the Executive Committee.

130. Following the discussion, the Executive Committee decided to consider the issue of CTC use as feedstock and process agents, and the co-production of CTC in Article 5 countries, at its 51st Meeting, following receipt of the conclusions of the desk study on CTC process agent projects and the study of the Technology and Economic Assessment Panel on global CTC emissions.

(Decision 48/27)

India: CFC production sector gradual phase-out: 2006 annual implementation plan (World Bank) (UNEP/OzL.Pro/ExCom/48/31 and Add.1)

131. The representative of the Secretariat said that clarifications provided by the World Bank following the issue of document UNEP/OzL.Pro/ExCom/48/31 had removed the data anomaly related to one of the CFC producers in India. According to document

UNEP/OzL.Pro/ExCom/48/31/Add.1, India had met the CFC production target for 2005, as set out in the agreement. The Executive Committee accordingly decided:

- (a) To approve the 2006 annual programme of the Indian CFC production closure programme at a funding level of US \$6 million plus associated support costs of US \$450,000 for the World Bank; and
- (b) To disburse the balance of US \$150,000 from the 2005 annual tranche and the associated support costs of US \$11,250 for the World Bank.

(Decision 48/28)

Venezuela: National CFC production closure plan (third tranche) (World Bank)
(UNEP/OzL.Pro/ExCom/48/40)

132. The representative of the Secretariat indicated that, on behalf of the Government of Venezuela, the World Bank had submitted a funding request for the third tranche of the National CFC production closure plan.

133. The Executive Committee decided:

- (a) To take note of the verification report on CFC production at Produven in Venezuela for the year 2005;
- (b) To approve the 2006 work programme of the Venezuela CFC production phase-out agreement at US \$1.75 million plus support costs of US \$131,200 for the World Bank, in view of the fact that Venezuela had achieved the CFC production reduction target in 2005, as confirmed by the verification;
- (c) To request the World Bank to make available to the consultant data that were needed to conduct an effective verification prior to the on-site inspection, in accordance with the guidelines approved at the 32nd Meeting of the Executive Committee; and
- (d) To request the World Bank and the Government of Venezuela to include a proposal in the 2007 annual work programme for a scheme for continued monitoring of CFC production at Produven to sustain the production closure after the cessation of production by the end of 2006.

(Decision 48/29)

Other sectors

Chile: Terminal umbrella project for phase-out of the use of CFC-11, CFC-12 and R-502 (CFC-115) in the manufacture of refrigeration equipment (UNDP) (UNEP/OzL.Pro/ExCom/48/27)

134. The Executive Committee decided to approve the above project at the level of funding of US \$282,025 and agency support costs for UNDP of US \$21,152.

(Decision 48/30)

Dominica: Terminal CFC phase-out management plan: first tranche (UNDP and UNEP) (UNEP/OzL.Pro/ExCom/48/29)

135. The Executive Committee had before it the TPMP submitted by UNEP as lead implementing agency on behalf of the Government of Dominica. The project would also be implemented with assistance from UNDP. All policy issues had been resolved and agreement had been reached on the incremental costs of the project.

136. During the discussion, one representative suggested that funding for terminal CFC phase-out plans ought not to be approved unless the refrigerant management plan projects had been substantially completed, and that release of funding for the second tranche of an approved TPMP should be withheld until the project completion report for a country's refrigerant management plan had been submitted. Other members considered that there was a need to reflect Executive Committee decision 45/54(d) regarding verification requirements. Specifically, it was noted, that for TPMPs with limited funding, the Executive Committee had agreed that such verification be done on a request basis and that extra funding would be provided for that purpose.

137. Following discussion on verification of the phase-out targets proposed in the agreements between low-volume consuming countries and the Executive Committee for TPMPs, the Executive Committee decided to replace paragraph 5(b) of the standard agreement in all future TPMPs with the following text:

“That the meeting of these targets will be independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54.”

(Decision 48/31)

138. Following the discussion of the TPMP for Dominica, the Executive Committee decided:

- (a) To approve, in principle, the terminal phase-out management plan for Dominica, at the amount of US \$217,000 plus agency support costs of US \$24,090 for UNDP and UNEP;

- (b) To approve the agreement between the Government of Dominica and the Executive Committee, as amended, for implementation of the terminal phase-out management plan contained in Annex XII to the present report;
- (c) To approve the first tranche of the terminal phase-out management plan at the amount of US \$40,000 plus support costs of US \$3,600 for UNDP and US \$35,000 plus support costs of US \$4,550 for UNEP; and
- (d) That a letter should be sent to the Government of Dominica advising it that disbursement of the second tranche of funds would be dependent upon the enactment of ODS licensing regulations.

(Decision 48/32)

Indonesia: National CFC phase-out plan (UNDP and World Bank)
(UNEP/OzL.Pro/ExCom/48/32)

139. The representative of the Secretariat said that UNDP, as lead agency had submitted a request on behalf of the Government of Indonesia for approval of the 2005 tranche of the national CFC phase-out plan at a cost of US \$2,354,442, including agency support costs. He also said that UNDP had provided a verification report for the year 2004, as well as an annual implementation plan for 2006. The principal issue arising from the submission, in view of the absence of effective import controls in Indonesia, was whether the verification process was adequate.

140. He added that the Government of Indonesia was aware of the need for effective management of imports and that it was preparing appropriate regulations. The Secretariat suggested that disbursement of funding might be delayed pending confirmation that the new import controls were in place and operating. UNDP however had cautioned against such a delay in disbursement as swift implementation was needed for Indonesia to achieve its aim of complete CFC phase-out by the end of 2007.

141. One representative considered that funds for the project should only be disbursed once the import licensing and control measures for the tracking of ODS had been established.

142. Following a discussion, the Executive Committee decided:

- (a) To approve the 2006 annual implementation programme for the national phase-out plan for Indonesia;
- (b) To approve funding of US \$2,176,800 plus total support costs of US \$177,642 for its implementation, as indicated below, with the proviso that the funding should not be released until the Fund Secretariat had been officially informed by the Government of Indonesia, through UNDP as lead implementing agency, that the new ODS import control regulations had been adopted and were being implemented:

- (i) US \$750,000 plus agency support costs of US \$67,500 for UNDP for the refrigeration-manufacturing sector;
 - (ii) US \$250,000 plus agency support costs of US \$21,300 for UNDP for the refrigeration-servicing sector;
 - (iii) US \$126,800 plus agency support costs of US \$10,092 for the World Bank for the mobile air conditioner (MAC) sector;
 - (iv) US \$1,050,000 plus agency support costs of US \$78,750 for the World Bank for the foam sector; and
- (c) To request the Chair to write to the Indonesian Minister for Industry and Trade to request that the issuance of a decree for a revised import control and licensing system be expedited and to explain that the funds could only be disbursed once the decree was issued.

(Decision 48/33)

Saint Kitts and Nevis: Terminal CFC phase-out management plan: first tranche (UNDP and UNEP) (UNEP/OzL.Pro/ExCom/48/38)

143. The Executive Committee had before it the terminal CFC phase-out management plan submitted by UNEP, as the lead implementing agency, on behalf of the Government of Saint Kitts and Nevis. The project would be implemented with assistance from UNDP. All policy issues had been resolved and the incremental costs of the project had been agreed.

144. The Executive Committee decided:

- (a) To approve, in principle, the terminal CFC phase-out management plan for Saint Kitts and Nevis, at the amount of US \$252,000 plus agency support costs of US \$28,440 for UNDP and UNEP;
- (b) To approve the agreement between the Government of Saint Kitts and Nevis and the Executive Committee, as amended, for implementation of the terminal phase-out management plan contained in Annex XIII to the present report; and
- (c) To approve the first tranche of the terminal phase-out management plan at the amount of US \$50,000 plus agency support costs of US \$4,500 for UNDP and US \$40,000 plus agency support costs of US \$5,200 for UNEP.

(Decision 48/34)

Kyrgyzstan: Halon phase-out programme (UNIDO) (UNEP/OzL.Pro/ExCom/48/34)

145. The representative of the Secretariat indicated that, on behalf of the Government of Kyrgyzstan, UNIDO had submitted a funding request for a project aiming to establish and

implement the national halon phase-out programme. Kyrgyzstan, which had a zero halon baseline, was requesting equipment for the recovery and recycling of halon-2402 that was available only from Russia. The equipment was intended for use by the military of Kyrgyzstan.

146. One representative was not convinced that the Executive Committee guidelines had been followed in demonstrating that the project was in line with the economic business model, nor did the location of the equipment in the Fire Protection State Department, within the Ministry of Emergency Situations, constitute enough of a guarantee of the project's sustainability. There were also insufficient details regarding ownership of the halon once it had been sent for recycling at the location. Another representative felt that the project should be approved owing to the unique circumstances regarding Kyrgyzstan's requirements for halon-2402.

147. Following a discussion, the Executive Committee decided to approve, on an exceptional basis, the project to establish and implement the national halon phase-out programme in Kyrgyzstan at the amount of US \$50,000, plus agency support costs of US \$4,500 for UNIDO, on the understanding that no further funds would be sought by Kyrgyzstan for the halon sector.

(Decision 48/35)

AGENDA ITEM 9: COUNTRY PROGRAMMES

148. The Executive Committee had before it documents UNEP/OzL.Pro/ExCom/48/41 and Add.1 containing the country programme update of Bangladesh.

149. The representative of the Secretariat drew attention to the issue of CFC consumption for the manufacture of MDIs in Bangladesh. He said that UNDP had indicated that Bangladesh could face challenges in meeting the 85 per cent reduction target for CFCs in 2007. Nevertheless, the agreement for the national phase-out plan for Bangladesh clearly stated that the country was precluded from applying for or receiving any further funding in respect of phase-out of CFCs. In addition, the capacity for production of MDIs in Bangladesh had been installed after 1995, which would make it ineligible for funding under Executive Committee decision 17/7.

150. He explained that issues of that nature had been raised at the Seventeenth Meeting of the Parties, which had adopted decision XVII/14 of the Seventeenth Meeting of the Parties requesting the Executive Committee to examine such situations and consider options that might assist the potential situation of non-compliance. There were no other issues arising from the country programme update submission.

151. Following a discussion, the Executive Committee decided:

- (a) To approve the Bangladesh country programme update, noting that approval of the country programme did not denote approval of the projects identified therein or their funding levels;

- (b) To request the Government of Bangladesh to continue to present information annually on progress being made in the implementation of the country programme; and
- (c) To request the Secretariat, in consultation with relevant implementing agencies, to prepare a paper for submission to the 49th Meeting outlining options for addressing the situation of countries referred to in decision XVII/14 of the Seventeenth Meeting of the Parties.

(Decision 48/36)

AGENDA 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)

152. The Executive Committee had before it document UNEP/OzL.Pro/ExCom/48/42 containing a note from the Secretariat on work undertaken on the basis of decision 47/52, and the report on a meeting of experts held in Montreal from 13 to 15 March 2006 to assess the extent of current and future requirements for the collection and disposition of non-reusable and unwanted ODS in Article 5 countries.

153. The representative of the Secretariat explained that preliminary data had been collected on unwanted, recoverable, reclaimable, non-reusable and virgin ODS in Article 5 countries, and that the results had been disseminated to participants in the meeting of experts. The resulting information was to be used by the Executive Committee during further consideration of the terms of reference for a study on the issue.

154. One of the consultants hired by the Secretariat in conjunction with the preparation of the report, Mr. D. Verdonik, a member of the Technology and Economic Assessment Panel (TEAP) and co-chair of the Halon Technical Options Committee, introduced the report. He stated that the experts had dealt with the following subjects: definition of terms, collection of ODS, CFCs, including their recovery from foams and refrigeration, halons, CTC, transportation issues, including the application of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and other influencing factors.

155. The representative of India wished to record that his country did not agree with the eleventh paragraph of chapter 6 of the report which dealt with CTC. He had expressed the same opinion during the meeting but his comments had not been taken into account in the report of the experts as his attendance had not been in an expert capacity. Given that the view had not been adopted by the experts attending, it had not been noted in the report of that meeting.

156. Although it was pointed out that a sound collection system, economic incentives and local laws and regulations were required if recovery, recycling, and reclamation were to be

effective, the discussion by the Executive Committee focused mainly on the issue of destruction of the non-reusable and unwanted ODS.

157. Concern was expressed about the low number of Article 5 countries that had provided data for the meeting of experts, as well as the low quantities of non-reusable and unwanted ODS that appeared to be involved. Some members were of the view that it was not clear why so few countries had responded to the request by the Secretariat for information. Members of the Committee were divided as to the reason. For some members there had not been enough time to answer the questionnaire. Others indicated that little information was available in the Article 5 countries, while others considered that there was no real problem.

158. Those who subscribed to the latter explanation questioned whether it was cost-effective to destroy such small amounts of ODS. Furthermore, defining non-reusable ODS as not necessarily technically non-reusable, but simply beyond the local capacity of the country to recover, recycle or reclaim was seen by some as an insufficient reason to entertain the idea of destroying the ODS in question. The substances could still be useful elsewhere.

159. It was generally agreed that the meeting of experts was just one step towards more in-depth treatment of the issue. One member stated that there should be no confusion with activities arising from decision XVII/17 and the case studies requested by the Meeting of the Parties on the technology and costs associated with a process for the replacement of CFC-containing refrigeration and air-conditioning equipment, including the environmentally sound recovery, transport and final disposal of such equipment and of the associated CFCs. The results of such studies were not to be anticipated. Much more information would be required before a final decision could be taken as to the value or necessity of the destruction of ODS.

160. Given the report of the meeting of experts, some members of the Executive Committee expressed their reservations about approving the inclusion of destruction projects in business plans (see paragraph 37) while there were no terms of reference or guidelines for such projects. Other members pointed out that there had been occasions in the past when projects had been included under similar circumstances.

161. Following the discussion, the Executive Committee decided:

- (a) To note, with appreciation the report of the meeting of experts, and to thank all experts as well as consultants and the Secretariat for their work leading to that report; and
- (b) To request the Secretariat to forward the report to the Technology and Economic Assessment Panel (TEAP), through the Ozone Secretariat, as an input for consideration by TEAP when complying with decision XVII/17 of the Seventeenth Meeting of the Parties, which requested TEAP to prepare terms of reference for the conduct of case studies in Article 5 countries on the technology and costs associated with a process for the replacement of CFC-containing refrigeration and air-conditioning equipment.

(Decision 48/37)

AGENDA 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)

162. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/48/43, which contained the report requested by the Executive Committee on consistent handling of those matters highlighted in decision 47/47. It suggested adjustments to be made based on the review of the accounting terms and provided a common approach for addressing such charges in the future.

163. In the context of the reconciliation of the implementing agencies' 2004 accounts, the agencies appeared to be taking different approaches to the application of miscellaneous income, in particular negative miscellaneous income, exchange-rate losses and gains, and bank charges. Instead of assigning all costs to either project or administrative costs, some of UNIDO's charges had been offset against interest due to the Multilateral Fund. Furthermore, UNEP had recorded exchange-rate losses at the Fund level. Given that the costs did not fall into the category of project or administrative costs, they had never been approved by the Executive Committee.

164. In response to the recommendations contained in the report, UNIDO had advised the Secretariat that it agreed to start assigning miscellaneous costs as either project or administrative costs from 2006, but did not agree to reassign costs that had already been offset against interest prior to 2006. The agency had submitted annual financial reports that conformed to United Nations and international accounting standards and had been fully transparent in its reporting. It might not be possible for UNIDO to retrieve all the data needed to reassign all miscellaneous costs for the past 13 years.

165. A contact group, convened by the representative of the United States of America, and comprising representatives of the Secretariat, the implementing agencies and interested Executive Committee members, was set up to discuss ways of dealing with the unapproved expenditure. In his verbal report to the Committee, the convenor of the contact group stated that the group had concluded that responsibility for the error was to be shared equally by the implementing agency in question and the Executive Committee. He therefore suggested that the Fund and the agency in question each absorb half of the unapproved amount.

166. Members of the Committee generally agreed with the idea of shared responsibility, but were reluctant to commit themselves to covering costs until they were sure of the amounts involved. The Executive Committee also wished to consult the Treasurer, who was not attending the 48th Meeting, to ascertain how the situation had occurred, whether it was likely to recur, and to discuss further the issue of shared responsibility.

167. Following the discussion, the Executive Committee decided:

- (a) To note 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 47/47) as contained in document UNEP/OzL.Pro/ExCom/48/43);
- (b) To confirm that the costs approved for implementing agencies should be classified as either project or administrative costs; and
- (c) To request that all implementing agencies that had any costs charged to their Multilateral Fund accounts that were not assigned to either project or administrative costs identify those costs relating to the last replenishment period, and before that, where possible, and inform the Executive Committee at the 49th Meeting.

(Decision 48/38)

AGENDA ITEM 12: REVISED 2006, 2007 AND 2008 BUDGETS OF THE FUND SECRETARIAT

168. The Executive Committee considered the revised budgets of the Fund Secretariat for 2006, 2007 and 2008, which were presented by the representative of the Secretariat (UNEP/OzL.Pro/ExCom/48/44).

169. She explained that the budgets for 2006-2008 had been revised to reflect the 8.5 per cent increase in the salary scale and allowances of general service staff in Montreal as of 1 January 2005, as well as US \$150,000 consultancy costs inadvertently omitted from the 2006 budget approved by the 47th Meeting of the Executive Committee.

170. In answer to questions from several members, the representative of the Secretariat explained that the increase was the result of a comprehensive salary survey based on the Consumer Price Index for Montreal in 2003 and 2004, in addition to Canadian tax provisions. She further indicated that United Nations agencies in Montreal followed the example of the International Civil Aviation Organization (ICAO), the lead United Nations agency in Montreal, which had communicated the increase to the Secretariat through an ICAO staff notice on 12 December 2005.

171. Following a discussion, the Executive Committee decided to approve Annex XIV to the present report reflecting:

- (a) An increase of US \$349,717 in the 2006 budget to cover both the 2005 retroactive payment and the 2006 payment of the salary increase of 8.5 per cent for general service staff effective 1 January 2005, resulting in a total revised 2006 budget of US \$5,085,732;

- (b) An increase of US \$150,000 for consultancy costs in the budget for 2006; and
- (c) An increase of US \$59,458 in the 2007 budget and US \$82,198 in the 2008 budget as a consequence of the 8.5 per cent increase in the general service staff allowance, resulting in total revised budgets for 2007 and 2008 of US \$2,838,261 and US \$2,980,174 respectively.

(Decision 48/39)

AGENDA ITEM 13: OTHER MATTERS

Saudi Arabia: Country programme/terminal phase-out management plan

172. The representative of UNIDO presented a preliminary analysis of the nature and cost of assistance proposed to enable Saudi Arabia to continue its efforts to phase-out ODS and fulfil its obligations under the Montreal Protocol. She said that, at its 46th Meeting, the Executive Committee had decided that Saudi Arabia was eligible for funding (decision 46/26), but to defer consideration of funding for the preparation of a country programme/TPMP until its 48th Meeting.

173. Following the discussion, the Executive Committee decided to request UNEP and UNIDO to submit a project preparation proposal for the country programme/national phase-out plan to the 49th Meeting of the Executive Committee, consistent with the guidelines for such submissions.

(Decision 48/40)

Treasury services

174. The Chair introduced document UNEP/OzL.Pro/ExCom/48/Inf.3. He recalled that, at its 42nd Meeting, the Executive Committee had decided to retain the services of UNEP as Treasurer at an annual fee of US \$500,000 and to request the Secretariat to follow the matter up with UNEP in order to ensure that the functions of Treasurer specified in Executive Committee decision 42/42(c) were clearly distributed between one P4 and one P5 position.

175. At the 47th Meeting, the Treasurer had informed the Executive Committee that two P4 positions had been assigned instead to perform the functions of the Treasurer. As a result, the Executive Committee, at its 47th Meeting, had decided to withhold US \$100,000 from the 2006 annual transfer of US \$500,000 to UNEP pending a report from the Secretariat on the appointment of the P5 officer (decision 47/48).

176. The Chief Officer had followed up on the issue, more particularly during her missions to Dakar and Dubai when she had consulted with both UNON and UNEP on the appointment of the P5 officer. On 19 December 2005, the former Chair of the Executive Committee had sent a letter to the Executive Director of UNEP, who had responded on 27 March 2006 indicating that the budget breakdown of the US \$500,000 per annum to UNEP was indicative only and

requesting the Chair of the Executive Committee to clarify areas of dissatisfaction with the Treasury services or functions agreed upon.

177. Several representatives expressed their dissatisfaction that some services were not being provided by the Treasurer and expressed a desire to communicate this to the Executive Director of UNEP, as the appointment of the P5 officer had not been fully addressed. In response to the request from the Executive Director for clarification of areas of dissatisfaction, one representative said that the Executive Committee was dissatisfied that a P5 officer had not been appointed, as required by paragraph (c) of decision 42/42. It was also pointed out that the letter from the Chief of Administrative Services had acknowledged that a P5 officer was needed to ensure the efficient provision of services, especially for conducting the studies requested by the Executive Committee. One representative noted that in the absence of a P5 officer some of the functions related to that position had been carried out by the Fund Secretariat.

178. Several representatives expressed regret that, for the first time in the Executive Committee's history, the Treasurer had not attended the meeting nor sent anyone else to provide clarification that could have been helpful with respect to this particular issue. It was suggested, therefore, that the Secretariat consult with a legal adviser before drafting a follow-up letter from the Chair to the Executive Director of UNEP.

179. Following a discussion, the Executive Committee decided:

- (a) To take note of the reply of 27 March 2006 by the Executive Director of UNEP to the letter from the Chair dated 19 December 2005;
- (b) To note that the P5 position provided for in decision 42/42, required for the efficient provision of the services of the Treasurer, had not been filled and that, in the absence of the P5 staff member, the functions related to that level had been performed by the Secretariat, that could become increasingly difficult taking into account the Secretariat's limited staffing capacity;
- (c) To continue to withhold US \$100,000 pending further consultations with UNEP; and
- (d) To request the Chair to write to the Executive Director of UNEP communicating the Executive Committee decision on the matter.

(Decision 48/41)

Schedule of release of funding for projects approved at the 48th Executive Committee Meeting

180. At the conclusion of the meeting, the Chief Officer, after noting that the Executive Committee had approved projects and activities with a total value of US \$67,943,509 and that contributions had recently been received from Austria and Monaco, advised that the total funds available for commitment amounted to US \$43,328,944 including returned balances. The net funding shortfall was therefore about US \$20 million. The Committee had decided to defer the release of funds for the national phase-out plan in Indonesia (see paragraph 142) and, pending

receipt of additional contributions, the World Bank had agreed to accept a short delay in the release of funding for two projects in China, for which she expressed her appreciation.

Dates and venues of the 49th and 50th Meetings of the Executive Committee

181. The Chief Officer confirmed the dates of the 49th Meeting, which would be held in Montreal from 10 to 14 July 2006, immediately following the Meeting of the Open-ended Working Group of Parties to the Montreal Protocol (3-7 July 2006). She also announced that the Government of India had generously offered to host the 50th Meeting of the Executive Committee, which would be held in New Delhi from 6 to 10 November 2006, back-to-back with the Eighteenth Meeting of the Parties (30 October-3 November 2006). The Executive Committee accepted the offer from the Government of India and decided to hold its 50th Meeting of the Executive Committee in New Delhi, India from 6 to 10 November 2006.

(Decision 48/42)

AGENDA ITEM 14: ADOPTION OF THE REPORT

182. The Executive Committee adopted its report on the basis of the draft report contained in document UNEP/OzL.Pro/ExCom/48/L.1.

AGENDA ITEM 15: CLOSURE OF THE MEETING

183. The Chair declared the meeting closed at 5:15 p.m. on Friday, 7 April 2006.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL
PROTOCOL

Table 1 : STATUS OF THE FUND FROM 1991-2006 (IN US DOLLARS)

As at 7 April 2006

INCOME	
Contributions received:	
- Cash payments including note encashments	1.709.895.125
- Promissory notes held	88.729.849
- Bilateral cooperation	109.145.840
- Interest earned	151.855.943
- Miscellaneous income	6.474.526
Total Income	2.066.101.284
ALLOCATIONS* AND PROVISIONS	
- UNDP	505.257.035
- UNEP	109.093.916
- UNIDO	446.253.297
- World Bank	807.132.772
Less Adjustments	-
Total allocations to implementing agencies	1.867.737.020
Secretariat and Executive Committee costs (1991-2007)	
- includes provision for staff contracts into 2008	53.545.195
Treasury fees (2003-2006)	1.550.550
Monitoring and Evaluation costs (1999-2006)	2.179.754
Technical Audit costs (1998-2005)	909.960
Information Strategy costs (2003-2004)	
- includes provision for Network maintenance costs for 2004	104.750
Bilateral cooperation	109.145.840
Provision for fixed-exchange-rate mechanism's fluctuations	
- losses/(gains) in value	(11.425.976)
Total allocations and provisions	2.023.747.093
BALANCE AVAILABLE FOR NEW ALLOCATIONS	42.354.191

* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the Implementing agencies. It reflects the Secretariat's inventory figures on the net approved amounts. These figures are under review in the on-going reconciliation exercise

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL**Table 2 : 1991 - 2006 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME**

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 7 April 2006

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	1991 - 2005	2006	1991 - 2006
Pledged contributions	234.929.241	424.841.347	472.567.009	440.000.001	474.000.000	2.046.337.598	133.466.667	2.179.804.265
Cash payments/received	205.992.884	381.375.628	407.514.156	406.430.280	295.318.588	1.696.631.536	13.263.590	1.709.895.125
Bilateral assistance	4.366.255	12.089.441	22.035.587	22.683.491	47.971.066	109.145.840	0	109.145.840
Promissory notes	0	0	4.318.435	0	84.411.414	88.729.849	0	88.729.849
Total payments	210.359.139	393.465.069	433.868.178	429.113.771	427.701.068	1.894.507.225	13.263.590	1.907.770.815
Disputed contributions	0	8.098.267	0	0	0	8.098.267	0	8.098.267
Outstanding pledges	24.570.102	31.376.278	38.698.831	10.886.230	46.298.932	151.830.373	120.203.077	272.033.450
Payments %age to pledges	89,54%	92,61%	91,81%	97,53%	90,23%	92,58%	9,94%	87,52%
Interest earned	5.323.644	28.525.733	44.685.516	53.946.601	19.374.449	151.855.943	0	151.855.943
Miscellaneous income	1.442.103	1.297.366	1.223.598	1.125.282	1.386.177	6.474.526	0	6.474.526
TOTAL INCOME	217.124.886	423.288.168	479.777.292	484.185.654	448.461.694	2.052.837.694	13.263.590	2.066.101.284
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	1991 - 2005	2006	1991-2006
Total pledges	234.929.241	424.841.347	472.567.009	440.000.001	474.000.000	2.046.337.598	133.466.667	2.179.804.265
Total payments	210.359.139	393.465.069	433.868.178	429.113.771	427.701.068	1.894.507.225	13.263.590	1.907.770.815
Payments %age to pledges	89,54%	92,61%	91,81%	97,53%	90,23%	92,58%	9,94%	87,52%
Total income	217.124.886	423.288.168	479.777.292	484.185.654	448.461.694	2.052.837.694	13.263.590	2.066.101.284
Total outstanding contributions	24.570.102	31.376.278	38.698.831	10.886.230	46.298.932	151.830.373	120.203.077	272.033.450
As % to total pledges	10,46%	7,39%	8,19%	2,47%	9,77%	7,42%	90,06%	12,48%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24.570.102	31.376.278	32.922.644	9.811.798	7.511.983	106.192.806	3.378.649	109.571.455
CEITs' outstandings %age to pledges	10,46%	7,39%	6,97%	2,23%	1,58%	5,19%	2,53%	5,03%

PS: CEITs are Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Georgia, Hungary, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 3 : 1991-2006 Summary Status of Contributions

As at 7 April 2006

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Australia*	39.887.538	38.468.443	1.349.795	0	69.299	763.380
Austria	22.642.702	22.510.912	131.790	0	0	-973.034
Azerbaijan	852.844	196.753	0	0	656.092	0
Belarus	2.600.369	0	0	0	2.600.369	0
Belgium	28.029.704	26.243.465	0	0	1.786.239	738.724
Bulgaria	1.096.013	1.096.013	0	0	0	0
Canada*	75.453.563	63.325.768	7.944.695	0	4.183.100	-2.693.876
Cyprus	213.837	148.670	0	0	65.167	0
Czech Republic	6.087.151	5.715.278	66.090	0	305.783	39.515
Denmark	18.378.204	16.973.466	205.000	0	1.199.738	-1.043.060
Estonia	153.060	153.060	0	0	0	0
Finland	14.624.296	13.177.886	451.870	0	994.541	-679.514
France	164.412.984	103.905.120	13.534.339	36.943.497	10.030.028	-5.679.396
Germany	242.761.819	169.278.062	32.582.452	26.480.215	14.421.090	-9.191
Greece	10.812.040	7.414.192	0	0	3.397.847	-245.881
Hungary	3.703.582	3.446.549	46.494	0	210.539	0
Iceland	814.246	814.246	0	0	0	-35.558
Ireland	6.078.456	6.078.456	0	0	0	208.838
Israel	7.972.408	3.724.671	38.106	0	4.209.631	0
Italy	127.568.359	114.727.797	9.794.489	0	3.046.072	3.291.976
Japan	417.643.612	367.196.477	15.412.212	0	35.034.923	0
Kuwait	286.549	286.549	0	0	0	0
Latvia	342.429	342.428	0	0	0	2.306
Liechtenstein	208.568	208.567	0	0	0	0
Lithuania	507.942	14.975	0	0	492.967	0
Luxembourg	1.816.865	1.816.865	0	0	0	-100.591
Malta	51.445	28.052	0	0	23.393	0
Monaco	163.080	163.080	0	0	0	183
Netherlands	42.289.184	39.465.288	0	0	2.823.896	0
New Zealand	6.131.848	6.131.848	0	0	0	68.428
Norway	15.481.550	15.481.550	0	0	0	171.673
Panama	16.915	16.915	0	0	0	0
Poland	5.984.411	5.101.105	113.000	0	770.305	0
Portugal	8.790.752	5.378.383	101.700	0	3.310.670	198.162
Russian Federation	95.570.141	0	0	0	95.570.141	0
Singapore	531.221	459.245	71.976	0	0	0
Slovak Republic	1.940.170	1.838.429	16.523	0	85.218	0
Slovenia	665.165	665.164	0	0	0	0
South Africa	3.793.691	3.763.691	30.000	0	0	0
Spain	61.409.464	55.747.003	1.587.282	0	4.075.179	0
Sweden	29.117.792	25.321.027	2.129.163	0	1.667.602	-693.292
Switzerland	31.234.278	28.117.500	1.406.673	0	1.710.105	-1.349.839
Tajikistan	98.306	5.333	0	0	92.973	0
Turkmenistan***	293.245	5.764	0	0	287.481	0
Ukraine	8.868.824	785.600	0	0	8.083.224	0
United Arab Emirate	559.639	559.639	0	0	0	0
United Kingdom	137.364.801	112.270.590	565.000	14.291.337	10.237.874	-3.405.931
United States of America	533.894.237	441.136.646	21.567.191	11.014.800	60.175.600	0
Uzbekistan	604.968	188.606	0	0	416.362	0
SUB-TOTAL	2.179.804.265	1.709.895.125	109.145.840	88.729.849	272.033.450	-11.425.976
Disputed Contributions (**)	8.098.267	0	0	0	8.098.267	
TOTAL	2.187.902.532	1.709.895.125	109.145.840	88.729.849	280.131.717	

NB: (*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39th meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40th meeting to read \$1,208,219 and \$6,449,438 instead of \$1,300,088 and \$ 6,414,880 respectively.

(**) Amounts for France, Germany, Italy, Japan and the United Kingdom netted off from the 1996 contributions and are shown here for records only.

(***) In accordance with Decisions V/15 and XVI/39 of the Meeting of the Parties to the Montreal Protocol, Turkmenistan has been reclassified as operating under Article 5 i 2004 and therefore its contribution of US\$5,764 for 2005 should be disregarded.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 4 : Status of Contributions for 2006

As at 7 April 2006

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2.660.143	2.660.143			0
Austria	1.435.341	1.435.341			0
Azerbaijan	8.355				8.355
Belarus	30.077				30.077
Belgium	1.786.239				1.786.239
Bulgaria	28.406	28.406			0
Canada	4.700.366				4.700.366
Cyprus	65.167				65.167
Czech Republic	305.783				305.783
Denmark	1.199.738				1.199.738
Estonia	20.051	20.051			0
Finland	890.613				890.613
France	10.075.793				10.075.793
Germany	14.473.719				14.473.719
Greece	885.600				885.600
Hungary	210.539				210.539
Iceland	56.812	56.812			0
Ireland	584.830	584.830			0
Israel	780.331				780.331
Italy	8.162.562	6.530.044			1.632.518
Japan	29.362.667				29.362.667
Latvia	25.064	25.064			0
Liechtenstein	8.355	8.355			0
Lithuania	40.103				40.103
Luxembourg	128.663	128.663			0
Malta	23.393				23.393
Monaco	5.013	5.013			0
Netherlands	2.823.896				2.823.896
New Zealand	369.279	369.279			0
Norway	1.134.571	1.134.571			0
Poland	770.305				770.305
Portugal	785.344				785.344
Russian Federation	1.838.039				1.838.039
Slovak Republic	85.218				85.218
Slovenia	137.017	137.017			0
Spain	4.210.779	140.000			4.070.779
Sweden	1.667.602				1.667.602
Switzerland	2.000.120				2.000.120
Tajikistan	1.671				1.671
Ukraine	65.167				65.167
United Kingdom	10.237.875				10.237.875
United States of America	29.362.667				29.362.667
Uzbekistan	23.393				23.393
TOTAL	133.466.667	13.263.590	0	0	120.203.077

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 5 : Status of Contributions for 2005

As at 7 April 2006

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	3.150.806	3.150.806			0
Austria	1.832.847	1.832.847			0
Azerbaijan	7.685				7.685
Belarus	36.503				36.503
Belgium	2.186.352	2.186.352			0
Bulgaria	24.976	24.976			0
Canada	4.954.834	5.071.627	400.473	0	(517.266)
Czech Republic	330.450	330.450			0
Denmark	1.450.523	1.450.523			0
Estonia	19.212	19.212			0
Finland	1.010.563	1.010.563			0
France	12.518.689		2.639.461	9.924.993	(45.765)
Germany	18.914.440		3.782.887	7.565.776	7.565.777
Greece	1.043.224				1.043.224
Hungary	232.468	232.468			0
Iceland	63.400	63.400			0
Ireland	570.603	570.603			0
Israel	803.071				803.071
Italy	9.805.922	7.844.737	547.631		1.413.554
Japan	34.760.000	28.382.193	6.377.807		0
Latvia	19.212	19.212			0
Liechtenstein	11.527	11.527			0
Lithuania	32.661				32.661
Luxembourg	153.698	153.698			0
Monaco	7.685	7.685			0
Netherlands	3.364.061	3.364.061		0	0
New Zealand	466.857	466.857			0
Norway	1.252.637	1.252.637			0
Poland	612.870	612.870			0
Portugal	895.290		101.700		793.590
Russian Federation	2.305.467				2.305.467
Slovak Republic	82.613	82.613			0
Slovenia	155.619	155.619			0
Spain	4.877.985	4.082.144	791.441		4.400
Sweden	1.988.466	1.797.210	343.468		(152.212)
Switzerland	2.447.638	2.447.638	290.015		(290.015)
Tajikistan	1.921				1.921
Turkmenistan	5.764				5.764
Ukraine	101.825				101.825
United Kingdom	10.718.503			10.718.503	0
United States of America	34.760.000		5.375.000		29.385.000
Uzbekistan	21.133				21.133
TOTAL	158.000.000	66.624.529	20.649.883	28.209.271	42.516.317

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 6 : Status of Contributions for 2004

As at 7 April 2006

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	3.150.806	3.150.806			(0)
Austria	1.832.847	1.832.847			0
Azerbaijan	7.685	0			7.685
Belarus	36.503	0			36.503
Belgium	2.186.352	2.186.352			0
Bulgaria	24.976	24.976			0
Canada	4.954.834	4.667.509	287.325	0	(0)
Czech Republic	330.450	330.450			0
Denmark	1.450.523	1.450.523			0
Estonia	19.212	19.212			0
Finland	1.010.563	1.010.563			0
France	12.518.689	0	2.302.683	10.216.006	0
Germany	18.914.440	6.304.813	3.801.533	12.609.626	(3.801.533)
Greece	1.043.224	0			1.043.224
Hungary	232.468	232.468			0
Iceland	63.400	63.400			0
Ireland	570.603	570.603			0
Israel	803.071				803.071
Italy*	9.805.922	7.844.737	1.961.185		0
Japan	34.760.000	30.098.098	4.661.902		0
Latvia	19.212	19.212			0
Liechtenstein	11.527	11.527			0
Lithuania	32.661	0			32.661
Luxembourg	153.698	153.698			0
Monaco	7.685	7.685			0
Netherlands	3.364.061	3.364.061		0	0
New Zealand	466.857	466.857			0
Norway	1.252.637	1.252.637			0
Poland	612.870	612.870			0
Portugal	895.290	0			895.290
Russian Federation	2.305.467	0			2.305.467
Slovak Republic	82.613	82.613			0
Slovenia	155.619	155.619			0
Spain	4.877.985	4.082.144	795.841		(0)
Sweden	1.988.466	1.590.768	302.915		94.783
Switzerland	2.447.638	1.758.710	688.928		0
Tajikistan	1.921	0			1.921
Turkmenistan	5.764	5.764			0
Ukraine	101.825	0			101.825
United Kingdom	10.718.503	7.145.668		3.572.834	0
United States of America	34.760.000	21.877.367	5.375.000	6.079.700	1.427.933
Uzbekistan	21.133	0			21.133
TOTAL	158.000.000	102.374.557	20.177.312	32.478.166	2.969.966

* Italy's bilateral cooperation amount was approved at the 46th meeting in 2005.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 7 : Status of Promissory Notes

As at 7 April 2006

Country	HELD BY			IMPLEMENTING AGENCY FOR WHICH HELD OR ASSIGNED TO					
	A WORLD BANK	B TREASURER	C= A+B TOTAL	D UNDP	E UNEP	F UNIDO	G WORLD BANK	H TREASURER	D+E+F+G+H=I I=C TOTAL
	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value
Canada		0	0					0	0
France		36.943.497	36.943.497				36.943.497	0	36.943.497
Germany		26.480.215	26.480.215			18.000.000	8.173.097	307.118	26.480.215
The Netherlands		0	0					0	0
United Kingdom		14.291.337	14.291.337			779.814		13.511.523	14.291.337
United States of America		11.014.800	11.014.800	6.303.743				4.711.057	11.014.800
TOTAL	0	88.729.849	88.729.849	6.303.743	0	18.779.814	45.116.594	18.529.698	88.729.849

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Table 8 : 2004-2006 Ledger of Promissory Notes

As at 7 April 2006

RECEIPTS							ENCASHMENTS					
Date of Submission a/	Year of contribution	Country of Origin	P/Note code	Denomination/ Type of currency	Amount (in Original denomination)	Note Value in USD per UNEP b/	Date of transfer	Agency	Transfer amount in Original denomination	Date of Encashment	Actual Encashment value (USD)	Gain/(Loss) to intended value (USD)
10/25/2004	2004	Canada		Can\$	6.216.532,80	3.963.867,12	11/9/2004	IBRD	6.216.532,80	1/19/2005	5.140.136,76	1.176.269,64
4/21/2005	2005	Canada		Can\$	6.216.532,78	3.963.867,12	Nov. 2005	TREASURER	6.216.532,78	Nov. 2005	5.307.831,95	1.343.964,83
12/31/2004	2004	France		Euro	10.597.399,70	9.784.322,50						-
1/18/2006	2005	France		Euro	11.217.315,23	14.675.110,50						-
8/9/2004	2004	Germany	BU 104 1006 01	US\$	18.914.439,57	18.914.439,57	8/3/2005	TREASURER	6.304.813,19	8/3/2005	6.304.813,19	-
								BALANCE	12.609.626,38			-
									18.914.439,57			-
7/8/2005	2005	Germany	BU 105 1003 01	US\$	7.565.775,83	7.565.775,83						-
12/8/2003	2004	Netherlands	D 11	US\$	3.364.061,32	3.364.061,32	11/17/2004	TREASURER	3.364.061,32	11/17/2004	3.364.061,32	-
12/8/2003	2005	Netherlands	D 11	US\$	3.364.061,32	3.364.061,32	12/5/2005	TREASURER	3.364.061,32	12/5/2005	3.364.061,32	-
5/18/2004	2004	UK		GBP	7.243.564,08	10.718.502,63	8/23/2005	TREASURER	1.207.260,68	8/23/2005	2.166.550,02	380.132,91
							Feb. 2006	TREASURER	3.621.782,04	Feb. 2006	6.303.711,64	944.460,32
								BALANCE	2.414.521,36			
									7.243.564,08			
6/1/2005	2005	UK		GBP	7.243.564,08	10.718.502,63						
5/13/2005	2004	USA		US\$	4.920.000,00	4.920.000,00	10/27/2005	TREASURER	2.000.000,00	10/27/2005	2.000.000,00	-
								BALANCE	2.920.000,00			
									4.920.000,00			
3/1/2006	2004	USA		US\$	3.159.700,00	3.159.700,00						

Annex II

2006 BUSINESS PLAN PERFORMANCE INDICATORS FOR UNDP

Item	2006 Target
Number of annual programmes of multi-year agreements approved versus those planned	27
Number of individual projects/activities (investment projects, RMPs, halon banks, TAS) approved versus those planned	7
Milestone activities completed (e.g., policy measures, regulatory assistance)/ODS levels achieved for approved multi-year annual tranches versus those planned	15
ODS phased-out for individual projects versus those planned per progress reports	2,622
Project completion, pursuant to decision 28/2 for investment projects, and as defined for non-investment projects versus those planned in progress reports	55
Percentage of policy/regulatory assistance completed versus that planned	*
Speed of financial completion versus that required per progress report completion dates	On Time
Timely submission of project completion reports versus those agreed	On Time
Timely submission of progress reports and responses unless otherwise agreed	On Time

* The Executive Committee requested UNDP to work in coordination with the Secretariat to provide a target for policy and regulatory assistance to countries requesting it to reflect the efforts it planned to undertake in that regard within its approved projects and multi-year agreements as appropriate.

Annex III

2006 BUSINESS PLAN PERFORMANCE INDICATORS FOR UNEP

Item	2006 Target
Number of annual programmes of multi-year agreements approved versus those planned	20
Number of individual projects/activities (investment projects, RMPs, halon banks, TAS) approved versus those planned	16
Milestone activities completed (e.g., policy measures, regulatory assistance)/ODS levels achieved for approved multi-year annual tranches versus those planned	4
ODS phased-out for individual projects versus those planned per progress reports	0
Project completion, pursuant to decision 28/2 for investment projects, and as defined for non-investment projects versus those planned in progress reports	86
Percentage of policy/regulatory assistance completed versus that planned	77 countries or 100% of countries listed in Annex I of the narrative either received assistance or assistance offered
Speed of financial completion versus that required per progress report completion dates	On Time
Timely submission of project completion reports versus those agreed	On Time
Timely submission of progress reports and responses unless otherwise agreed	On Time

Annex IV

2006 BUSINESS PLAN PERFORMANCE INDICATORS FOR UNIDO

Item	2006 Target
Number of annual programmes of multi-year agreements approved versus those planned	29
Number of individual projects/activities (investment projects, RMPs, halon banks, TAS) approved versus those planned	11
Milestone activities completed (e.g., policy measures, regulatory assistance)/ODS levels achieved for approved multi-year annual tranches versus those planned	22
ODS phased-out for individual projects vs. those planned per progress reports	1,119.4 ODP tonnes
Project completion, pursuant to decision 28/2 for investment projects, and as defined for non-investment projects versus those planned in progress reports	36
Percentage of policy/regulatory assistance completed versus that planned	*
Speed of financial completion versus that required per progress report completion dates	12 months after operational completion
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

* The Executive Committee requested UNIDO to work in coordination with the Secretariat to provide a target for policy and regulatory assistance to countries requesting it to reflect the efforts it planned to undertake in that regard within its approved projects and multi-year agreements as appropriate.

Annex V

2006 BUSINESS PLAN PERFORMANCE INDICATORS FOR THE WORLD BANK

Item	2006 Target
Number of annual programmes of multi-year agreements approved versus those planned	23 ¹
Number of individual projects/activities (investment projects, RMPs, halon banks, TAS) approved versus those planned	1
Milestone activities completed (e.g. policy measures, regulatory assistance)/ODS levels achieved for approved multi-year annual tranches versus those planned	20
ODS phased-out for individual projects versus those planned per progress reports	2,288 ODP tonnes
Project completion, pursuant to decision 28/2 for investment projects, and as defined for non-investment projects versus those planned in progress reports	20 ²
Percentage of policy/regulatory assistance completed versus that planned	*
Speed of financial completion versus that required per progress report completion dates	11 months
Timely submission of project completion reports versus those agreed	100%
Timely submission of progress reports and responses unless otherwise agreed	100%

* The Executive Committee requested the World Bank to work in coordination with the Secretariat to provide a target for policy and regulatory assistance to countries requesting it to reflect the efforts it planned to undertake in that regard within its approved projects and multi-year agreements as appropriate.

¹ Includes three annual programmes of new multi-year projects expected to be approved by the Executive Committee in 2006.

² Represents the number of projects expected to be completed in 2006, which will lead to an expected phase-out of 2,288 ODP tonnes.

Annex VI

REVISED AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE IN CHILE

1. The Executive Committee:
 - (a) At its 32nd Meeting, approved US \$805,000 as the total funds that will be available to Chile to achieve the complete phase-out of methyl bromide (MB) used in the fruit replanting and nursery sectors (76.2 ODP tonnes), to be implemented by UNDP;
 - (b) At its 45th Meeting, approved in principle an additional US \$2,547,156 as the total funds available to Chile to achieve the complete phase-out of MB used in the remaining soil fumigation sectors, excluding quarantine and pre-shipment applications (additional 136.3 ODP tonnes), to be implemented by the World Bank; and
 - (c) At its 48th Meeting, noted the cancellation by the Government of Chile of the project for the complete phase-out of MB used in the remaining soil fumigation sectors, excluding quarantine and pre-shipment applications approved at its 45th Meeting.
2. As reported to the Ozone Secretariat, MB consumption in 2004 was 262.8 ODP tonnes, excluding MB that was used in quarantine and pre-shipment applications. The MB baseline for compliance is 212.5 ODP tonnes. Accordingly, Chile must reduce its 2004 consumption of MB by 50.3 ODP tonnes and by an additional 42.5 ODP tonnes, to achieve compliance with the Montreal Protocol's 2002 freeze obligation and with the 20 per cent reduction in 2005, respectively.
3. Through implementation of the project for the phase-out of MB in the tree replant and tree nursery sectors, Chile commits to reducing its total national consumption of controlled uses of MB to 170.0 ODP tonnes in 2005, thus ensuring compliance with the Protocol's 20 per cent reduction. Chile also commits to permanently sustaining the consumption level of 170.0 ODP tonnes between 2005 and 1 January 2015 through the use of import restrictions and other policies it may deem necessary.
4. The Government of Chile is entering into this agreement with the Executive Committee on the understanding that, should additional MB consumption in the fruit replanting and nursery sectors be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.
5. The Government of Chile, in agreement with UNDP, will have flexibility in organizing and implementing the components of the project which it deems more important to meet the MB phase-out commitments noted above. UNDP agrees to manage the funding for the project in a manner designed to ensure the achievement of the specific MB reductions agreed upon. UNDP

shall report back annually to the Executive Committee on the progress achieved in putting in place mechanisms to achieve and maintain compliance with the Montreal Protocol schedule.

6. These agreed conditions between the Government of Chile and the Executive Committee supersede the agreement reached between the Government of Chile and the Executive Committee at the 45th Meeting of the Executive Committee.

Annex VII

REVISED AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE IN COSTA RICA

1. The Executive Committee at its 35th Meeting, approved in principle US \$4,845,283 as the total funds that will be available to the Government of Costa Rica to achieve the complete phase-out of methyl bromide (MB) used for all purposes (426.9 ODP tonnes), excluding quarantine and pre-shipment applications (QPS), according to a revised phase-out schedule approved at its 48th Meeting.

2. As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, the MB baseline for compliance for Costa Rica is 342.5 ODP tonnes, and the average MB consumption for the years 1998-2000 was 426.9 ODP tonnes, excluding quarantine and pre-shipment applications. Accordingly, Costa Rica must reduce its consumption of MB to 342.5 ODP tonnes to achieve compliance with the Montreal Protocol's 2002 freeze obligation, and to no more than 274 ODP tonnes in 2005 to achieve compliance with the Protocol 20 per cent reduction.

3. Reductions in accordance with the terms of this project, as revised by the Executive Committee at its 48th Meeting, will ensure that Costa Rica will meet the reduction schedule listed below. In that regard Costa Rica commits, through the implementation of this project, to reduce total national consumption of controlled uses of MB to no more than the following levels of consumption in the years listed below:

2002	342.0 ODP tonnes
2003	342.0 ODP tonnes
2004	298.8 ODP tonnes
2005	273.6 ODP tonnes
2006	253.2 ODP tonnes
2007	210.0 ODP tonnes
2008	174.0 ODP tonnes
2009	114.0 ODP tonnes
2010	0.0 ODP tonnes

4. The project will phase out all uses of MB in Costa Rica, excluding QPS applications. Costa Rica will not request any further assistance from the Multilateral Fund projects for the non-QPS MB sector in order to achieve this phase-out. The phase-out will be permanently sustained through the use of import restrictions and other policies deemed necessary. UNDP shall report back annually to the Executive Committee on the progress achieved in meeting the reductions required in the project.

5. Funding for the projects will be disbursed by UNDP in line with the following yearly budget breakdown and with the understanding that a subsequent year's funding will not be disbursed until the Executive Committee has favourably reviewed the prior year's progress report:

2001	US \$1,211,321
2004	US \$1,938,114
2006	US \$969,057
2008	US \$726,791

6. The Government of Costa Rica has reviewed the consumption data identified in this project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should additional consumption be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

7. The Government of Costa Rica, in agreement with UNDP, will have flexibility in organizing and implementing the project components which it deems more important in order to meet its phase-out commitment noted above. UNDP agrees to manage the funding for this project in a manner designed to ensure the achievement of the specific MB reductions agreed for the sector.

8. These revised agreed conditions supersede those reached between the Government of Costa Rica and the Executive Committee at the 35th Meeting of the Executive Committee.

Annex VIII

REVISED AGREEMENT BETWEEN CUBA AND THE EXECUTIVE COMMITTEE FOR THE NATIONAL PHASE-OUT OF ANNEX A (GROUP I) AND ANNEX B (GROUP II) SUBSTANCES

1. This Agreement represents the understanding of Cuba (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone depleting substances in the sectors set out in Appendix 1-A (“The Substances”) prior to 2010 compliance with Protocol schedules.
2. The Country agrees to phase out the controlled use of the Substances in accordance with the annual phase-out targets set out in rows 1 and 5 of Appendix 2-A (“The Targets, and Funding”) and this Agreement. The annual phase-out targets will, at a minimum, correspond to the reduction schedules mandated by the Montreal Protocol. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances.
3. Subject to compliance with the following paragraphs by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 17 of Appendix 2-A (“The Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country will meet the consumption limits for each Substance as indicated in Appendix 2-A. It will also accept independent verification by the relevant Implementing Agency of achievement of these consumption limits as described in paragraph 9 of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 30 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Target for the applicable year;
 - (b) That the meeting of these Targets has been independently verified as described in paragraph 9;
 - (c) That the Country has substantially completed all actions set out in the last Annual Implementation Programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (“Format for Annual Implementation Programmes”) in respect of the year for which funding is being requested.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 9.

7. While the funding was determined on the basis of estimates of the needs of the country to carry out its obligations under this agreement, the Executive Committee agrees that the country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual programme.

8. Specific attention will be paid to the execution of the activities in the servicing sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The technician-licensing programme for the refrigeration and air conditioning service sector would be implemented in stages so that resources can be diverted to other activities, such as additional training or procurement of service tools, if the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP under the mandate of the Multilateral Fund has agreed to be the lead implementing agency (“Lead IA”) in respect of the Country’s activities under this Agreement regulations. The Lead IA under the mandate of the Multilateral Fund will be responsible for carrying out the activities listed in Appendix 6-A (“Role of the Lead Implementing Agency”) including but not limited to independent verification. The country also agrees to periodic evaluations which will be carried out under the monitoring and evaluation work programmes of the Multilateral Fund. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 10, 12, 14 and 16 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances identified in Appendix 1-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. In the discretion of the Executive Committee, Funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next instalment of Funding under the Funding Approval Schedule. The

Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

14. This revised Agreement supersedes the Agreement reached between the Government of Cuba and the Executive Committee at the 43rd Meeting of the Executive Committee.

APPENDIX 1-A: THE SUBSTANCES

Annex	Group	Chemical
Annex A	Group I	CFC-11, CFC-12, CFC-113 CFC-114 and CFC-115
Annex B	Group II	CTC

APPENDIX 2-A: THE TARGETS, AND FUNDING

	2004	2005	2006	2007	2008	2009	2010	Total
1. Montreal Protocol Reduction Schedules	625.133	312.566	312.566	93.769	93.769	93.769	0.000	
1A. Max allowable total consumption of CFCs (ODP tonnes)	498.500	312.566	260.000	93.769	0.000	0.000	0.000	
2. Reduction from on-going projects (MDI and Aerosols) (ODP tonnes)	0.000	0.000	28.200	70.000	39.100	0.000	0.000	137.300
3. New reduction under plan (ODP tonnes)	0.000	185.934	24.366	96.231	54.669	0.000	0.000	361.200
4. Total annual reduction (ODP tonnes)	0.000	185.934	52.566	166.231	93.769	0.000	0.000	498.500
5. Max allowable total consumption of Annex B Group II substances (ODP tonnes)	2.700	0.400	0.400	0.400	0.400	0.400	0.000	
6. Reduction from ongoing projects								
7. New reduction under plan			0.100					0.100
8. Total annual reduction of Annex B Group II			0.100					0.100
9. Lead IA agreed funding (UNDP) (US \$)	196,228 (i)	566,000 (iii)	461,000	180,000	106,000	50,000	0	1,559,228

	2004	2005	2006	2007	2008	2009	2010	Total
10. Lead IA support costs (UNDP) (US \$)	14,717 (i)	42,450 (iv)	34,575	13,500	7,950	3,750	0	116,492
11. Cooperating IA agreed funding (Canada) (US \$)	400,000	62,000	0	0	0	0	0	462,000
12. Cooperating IA support costs (Canada) (US \$)	52,000	8,060	0	0	0	0	0	60,060
13. Cooperating IA agreed funding (Germany) (US \$)	43,453 (ii)	0	0	0	0	0	0	43,453
14. Cooperating IA support costs (Germany) (US \$)	5,649 (ii)	0	0	0	0	0	0	5,648
15. Co-operating IA agreed funding (France) (US \$)	80,319 (ii)	0	0	0	0	0	0	80,319
16. Co-operating IA support costs (France) (US\$)	10,441 (ii)	0	0	0	0	0	0	10,441
17. Total agreed funding (US \$)	720,000	628,000	461,000	180,000	106,000	50,000	0	2,145,000
18. Total agency support costs (US \$)	82,807	50,510	34,575	13,500	7,950	3,750	0	193,092
19. Total agreed grant for tranche (US\$)	802,807	678,510	495,575	193,500	113,950	53,750	0	2,338,092

(i) No funding was approved for UNDP for the 2004 work programme (this funding level has been transferred at the 48th Meeting of the Executive Committee).

(ii) Funding levels reduced at the 48th Meeting of the Executive Committee to reflect the funds transferred to UNDP as the lead implementing agency being the funds not utilized by the Governments of France and Germany for the 2004 and 2005 work programmes.

(iii) US \$250,000 approved at the 45th Meeting of the Executive Committee.

(iv) US \$18,750 approved at the 45th Meeting of the Executive Committee.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding will be considered for approval at the first (exception this first annual programme) meeting of the year of the annual plan.

APPENDIX 4-A: FORMAT FOR ANNUAL IMPLEMENTATION PROGRAMMES

This format is proposed for use by the Article 5 country to prepare the annual implementation programme for the implementation of performance-based ODS phase-out plans; however, it should be modified to suit the specific needs of each plan.

1. **Data**

Country	
Year of plan	
# of years completed	
# of years remaining under the plan	
Target ODS consumption of the preceding year	
Target ODS consumption of the year of plan	
Level of funding requested	
Lead implementing agency	
Co-operating agency(ies)	

2. Targets

Target:				
Indicators		Preceding Year	Year of Plan	Reduction
Supply of ODS	Import			
	Production*			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

* For ODS-producing countries

3. Industry Action

Sector	Consumption Preceding Year (1)	Consumption Year of Plan (2)	Reduction within Year of Plan (1)-(2)	Number of Projects Completed	Number of Servicing Related Activities	ODS Phase-Out (in ODP tonnes)
Manufacturing						
Aerosol						
Foam						
Refrigeration						
Solvents						
Other						
Total						
Servicing						
Refrigeration						
Total						
Grand Total						

4. Technical Assistance

Proposed Activity: _____

Objective: _____

Target Group: _____

Impact: _____

5. Government Action

Policy/Activity Planned	Schedule of Implementation
Type of Policy Control on ODS Import: servicing, etc.	
Public Awareness	
Others	

6. Annual Budget

Activity	Planned Expenditures (US \$)
TOTAL	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

Institution involved	Role	Responsibility type and frequency of reporting	Evaluation
CITMA, Ozone Office	Overall monitoring	Meetings with IA Meeting reports, MoU	By UNDP
UNDP	IA	Expenditure Report Quarterly Report	By UNDP
UNDP	IA	Progress report (annual) Quarterly Report	By Ozone Office

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA¹ under the mandate of the Multilateral Fund will be responsible for a range of activities to be specified in the project document along the lines of the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the annual implementation programme;
- (c) Assisting the Country in preparation of the Annual Implementation Programme;
- (d) Ensuring that achievements in previous Annual Implementation Programme are reflected in future Annual Implementation Programmes;

¹ Upon a request by the Government of Cuba, the Lead IA was changed from the Government of Germany to UNDP at the 48th Meeting of the Executive Committee.

- (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and the Annual Implementation Programme for the year are to be prepared and submitted to the first meeting of the Executive Committee of the year;
- (f) Ensuring that technical reviews undertaken by the Lead IA are carried out by appropriate independent technical experts;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (i) Verification for the Executive Committee that consumption of the Substances have been eliminated in accordance with the Targets;
- (j) Coordinate the activities of the Coordinating IAs, if any;
- (k) Ensuring that disbursements made to the Country are based on the use of the Indicators; and
- (l) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLES OF COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IAs will be responsible for:
 - (a) Assisting the Country in the implementation and verification of the activities to be undertaken by Canada as funded in rows 11 and 12 of Appendix 2-A and as specified in the project document;
 - (b) Ensuring that disbursements are made to the Country in a timely and effective manner;
 - (c) Reporting to the Lead Agency on these activities; and
 - (d) Providing assistance relating to the activities being undertaken when required.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$11,860 per ODP tonne of reductions in consumption not achieved in the year.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/48/45
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
AFGHANISTAN						
PHASE-OUT PLAN						
ODS phase out plan						
National phase-out plan (2nd tranche)	Germany	151.8	\$642,368	\$83,508	\$725,876	5.93
Total for Afghanistan		151.8	\$642,368	\$83,508	\$725,876	
ALGERIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV)	UNEP	21.3	\$257,400	\$0	\$257,400	12.10
Total for Algeria		21.3	\$257,400		\$257,400	
ARGENTINA						
FUMIGANT						
Methyl bromide						
Methyl bromide phase-out in tobacco and non-protected vegetable seedbeds (sixth tranche)	UNDP	56.5	\$467,000	\$35,025	\$502,025	20.16
<i>Approved on the understanding that the Government of Argentina will submit a project completion report in 2007.</i>						
Total for Argentina		56.5	\$467,000	\$35,025	\$502,025	
BRAZIL						
SOLVENT						
Preparation of project proposal						
Project preparation for solvent and process agent sectors	UNDP		\$50,000	\$3,750	\$53,750	
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan: third and fourth tranches	Germany		\$1,543,600	\$138,924	\$1,682,524	
Total for Brazil			\$1,593,600	\$142,674	\$1,736,274	
CHAD						
PHASE-OUT PLAN						
Preparation of project proposal						
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector	UNDP		\$12,000	\$900	\$12,900	
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>						
Project preparation for a terminal phase-out management plan	UNEP		\$18,000	\$2,340	\$20,340	
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>						

List of projects and activities approved for funding

 UNEP/OzL.Pro/ExCom/48/45
 Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Chad			\$30,000	\$3,240	\$33,240	
CHILE						
FOAM						
Rigid						
Terminal umbrella project for phase-out of the use of CFC-11 in the manufacture of polyurethane foam	UNDP	51.4	\$429,962	\$32,247	\$462,209	8.37
REFRIGERATION						
Domestic/commercial						
Terminal umbrella project for phase-out of the use of CFC-11, CFC-12 and R-502 (CFC-115) in the manufacture of refrigeration equipment	UNDP	21.7	\$282,025	\$21,152	\$303,177	19.60
Total for Chile			73.1	\$711,987	\$53,399	\$765,386
CHINA						
OTHER						
Tobacco fluffing						
Tobacco sector plan for CFC-11 phase-out: annual programme for 2006-2007	UNIDO	150.0	\$1,500,000	\$112,500	\$1,612,500	11.00
PROCESS AGENT						
Process conversion						
Sector plan for phase-out of ODS process agent applications (phase II) and corresponding CTC production: 2006 annual programme	IBRD		\$10,000,000	\$750,000	\$10,750,000	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee.</i>						
Sectoral phase out plan						
Phase-out of the production and consumption of CTC for process agent and other non-identified uses (phase I): 2006 annual programme	IBRD		\$16,000,000	\$1,200,000	\$17,200,000	
<i>Approved the revision of the maximum allowable CTC production target in the 2006 annual work programme of the sector plan (phase I) to 28,618 ODP tonnes; and the World Bank was requested to provide an update in its 2007 annual work programme on the further actions to be taken to reduce the emission level for chlorosulphonated polyefin (CSM) at Jilin Chemical, in view of the lack of success so far.</i>						
<i>Phase-out of 6,642 ODP tonnes of CTC in the production sector</i>						
PRODUCTION						
CFC closure						
Sector plan for CFC production phase-out: 2006 annual programme	IBRD		\$13,000,000	\$975,000	\$13,975,000	
<i>Phase-out of 5,250 ODP tonnes in the production sector</i>						
Total for China			150.0	\$40,500,000	\$3,037,500	\$43,537,500

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/48/45
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
COLOMBIA					
PROCESS AGENT					
CTC phase out					
Phase-out of CTC as process agent in the elimination of nitrogen trichloride during chlorine production at Prodesal S.A.	UNDP	2.0	\$114,480	\$10,303	\$124,783
<i>Project transferred from the World Bank to UNDP. The project was originally approved on the condition that the enterprise would have flexibility regarding the choice of the technologies presented in the project document.</i>					
Total for Colombia		2.0	\$114,480	\$10,303	\$124,783
CONGO					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector	UNDP		\$12,000	\$900	\$12,900
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
Project preparation for a terminal phase-out management plan	UNEP		\$18,000	\$2,340	\$20,340
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
Total for Congo			\$30,000	\$3,240	\$33,240
COSTA RICA					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector	UNDP		\$30,000	\$2,250	\$32,250
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
Total for Costa Rica			\$30,000	\$2,250	\$32,250
COTE D'IVOIRE					
PHASE-OUT PLAN					
Preparation of project proposal					
Preparation of a terminal phase-out management plan	UNIDO		\$15,000	\$1,125	\$16,125
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNIDO be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/48/45
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$15,000	\$1,950	\$16,950	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase III, year 2)	UNEP		\$53,170	\$0	\$53,170	
Total for Cote D'Ivoire			\$83,170	\$3,075	\$86,245	
CUBA						
PHASE-OUT PLAN						
CFC phase out plan						
National ODS phase-out plan for CFCs: balance of the 2004 and 2005 annual programmes (France and Germany) <i>Upon a request by the Government of Cuba, funds transferred from the balance of the two previous tranches approved for the Governments of France and Germany.</i>	UNDP	79.7	\$512,228	\$38,417	\$550,645	
Total for Cuba			79.7	\$512,228	\$38,417	\$550,645
DJIBOUTI						
PHASE-OUT PLAN						
Preparation of project proposal						
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$18,000	\$2,340	\$20,340	
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$12,000	\$900	\$12,900	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase II)	UNEP		\$78,000	\$0	\$78,000	
Total for Djibouti			\$108,000	\$3,240	\$111,240	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/48/45
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
DOMINICA					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal CFC phase-out management plan (first tranche)	UNEP		\$35,000	\$4,550	\$39,550
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. (The Committee also decided that disbursement of the second tranche of funds would be dependent upon the enactment of ODS licensing regulations.)</i>					
Terminal CFC phase-out management plan (first tranche)	UNDP		\$40,000	\$3,600	\$43,600
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. (The Committee also decided that disbursement of the second tranche of funds would be dependent upon the enactment of ODS licensing regulations.)</i>					
Total for Dominica			\$75,000	\$8,150	\$83,150
DOMINICAN REPUBLIC					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal phase-out plan for Annex A (Group I) substances: (second tranche)	UNDP	171.0	\$400,000	\$30,000	\$430,000 5.50
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase IV)	UNEP		\$134,333	\$0	\$134,333
Total for Dominican Republic			171.0	\$534,333	\$30,000
EL SALVADOR					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector	UNDP		\$30,000	\$2,250	\$32,250
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
Total for El Salvador			\$30,000	\$2,250	\$32,250
GABON					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan	UNEP		\$18,000	\$2,340	\$20,340
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$12,000	\$900	\$12,900	
	Total for Gabon		\$30,000	\$3,240	\$33,240	
GAMBIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV)	UNEP		\$60,000	\$0	\$60,000	
	Total for Gambia		\$60,000		\$60,000	
GUYANA						
PHASE-OUT PLAN						
Preparation of project proposal						
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$15,000	\$1,950	\$16,950	
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$15,000	\$1,125	\$16,125	
	Total for Guyana		\$86,333	\$3,075	\$89,408	
INDIA						
PRODUCTION						
CFC conversion						
CFC production sector gradual phase-out: 2006 annual implementation plan <i>Phase-out of 3,389 ODP tonnes in the production sector</i>	IBRD		\$6,000,000	\$450,000	\$6,450,000	
CFC production sector gradual phase-out: balance from the 2005 annual implementation plan	IBRD		\$150,000	\$11,250	\$161,250	
	Total for India		\$6,150,000	\$461,250	\$6,611,250	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
INDONESIA					
FOAM					
Multiple-subsectors					
Phase-out of residual CFCs in the foam sector (second tranche)	IBRD	130.0	\$1,050,000	\$78,750	\$1,128,750
<i>Approved on the understanding that funding should not be released until the Secretariat has been officially informed by the Government, through UNDP as the lead implementing agency, that the new ODS import control regulations had been adopted and were being implemented. The Committee also decided to request the Chair to write to the Indonesian Minister for Industry and Trade to request that the issuance of a decree for a revised import control and licensing system be expedited and to explain that the funds could only be disbursed once the decree was issued.</i>					
REFRIGERATION					
MAC					
Phase-out of CFCs in the refrigeration sector (MAC) (fourth tranche)	IBRD	110.0	\$126,800	\$10,092	\$136,892
<i>Approved on the understanding that funding should not be released until the Secretariat has been officially informed by the Government, through UNDP as the lead implementing agency, that the new ODS import control regulations had been adopted and were being implemented. The Committee also decided to request the Chair to write to the Indonesian Minister for Industry and Trade to request that the issuance of a decree for a revised import control and licensing system be expedited and to explain that the funds could only be disbursed once the decree was issued.</i>					
Multiple-subsectors					
Phase-out of CFCs in the refrigeration sector (manufacturing) (fourth tranche)	UNDP	300.0	\$750,000	\$67,500	\$817,500
<i>Approved on the understanding that funding should not be released until the Secretariat has been officially informed by the Government, through UNDP as the lead implementing agency, that the new ODS import control regulations had been adopted and were being implemented. The Committee also decided to request the Chair to write to the Indonesian Minister for Industry and Trade to request that the issuance of a decree for a revised import control and licensing system be expedited and to explain that the funds could only be disbursed once the decree was issued.</i>					
Phase-out of CFCs in the refrigeration sector (servicing) (fourth tranche)	UNDP	300.0	\$250,000	\$21,300	\$271,300
<i>Approved on the understanding that funding should not be released until the Secretariat has been officially informed by the Government, through UNDP as the lead implementing agency, that the new ODS import control regulations had been adopted and were being implemented. The Committee also decided to request the Chair to write to the Indonesian Minister for Industry and Trade to request that the issuance of a decree for a revised import control and licensing system be expedited and to explain that the funds could only be disbursed once the decree was issued.</i>					
Total for Indonesia		840.0	\$2,176,800	\$177,642	\$2,354,442

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
IRAN						
SOLVENT						
Preparation of project proposal						
Preparation of a phase-out plan in the solvent sector	UNIDO		\$15,000	\$1,125	\$16,125	
<i>Approved on the understanding that the consumption addressed in the resulting project should be consistent with all relevant decisions of the Parties concerning Iran's consumption data for CTC and TCA and within the rules of the Fund.</i>						
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan: 2006 annual implementation programme	UNIDO	19.4	\$66,224	\$4,967	\$71,191	6.59
<i>Approved on the understanding that the Government of Germany as lead agency ensures that a verification of the monitoring institutions is included in the next submission of an annual tranche.</i>						
National CFC phase-out plan: 2006 annual implementation programme	Germany	294.5	\$1,007,124	\$110,784	\$1,117,908	6.59
<i>Approved on the understanding that the Government of Germany as lead agency ensures that a verification of the monitoring institutions is included in the next submission of an annual tranche.</i>						
Total for Iran		313.9	\$1,088,348	\$116,876	\$1,205,224	
KOREA, DPR						
PROCESS AGENT						
Preparation of project proposal						
Preparation of a process agent terminal umbrella project	UNIDO		\$30,000	\$2,250	\$32,250	
<i>Approved on the understanding that the resulting project should conform to the requirements of decision 41/74.</i>						
Total for Korea, DPR			\$30,000	\$2,250	\$32,250	
KUWAIT						
PHASE-OUT PLAN						
Preparation of project proposal						
Preparation of a terminal phase-out management project	UNIDO		\$25,000	\$1,875	\$26,875	
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNIDO be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>						
Total for Kuwait			\$25,000	\$1,875	\$26,875	
KYRGYZSTAN						
HALON						
Banking						
Halon phase-out programme	UNIDO	2.4	\$50,000	\$4,500	\$54,500	
<i>Approved on an exceptional basis and on the understanding that no further funds would be sought by Kyrgyzstan for the halon sector.</i>						
Total for Kyrgyzstan		2.4	\$50,000	\$4,500	\$54,500	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
LEBANON					
PHASE-OUT PLAN					
CFC phase out plan					
National phase-out management plan for Annex-A Group-I substances (CFCs) (second and third tranches)	UNDP	287.0	\$865,000	\$64,875	\$929,875
	Total for Lebanon	287.0	\$865,000	\$64,875	\$929,875
MACEDONIA					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase V)	UNIDO		\$132,347	\$9,926	\$142,273
	Total for Macedonia		\$132,347	\$9,926	\$142,273
MALI					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$12,000	\$900	\$12,900
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$18,000	\$2,340	\$20,340
	Total for Mali		\$30,000	\$3,240	\$33,240
MAURITANIA					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$12,000	\$900	\$12,900
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$18,000	\$2,340	\$20,340
	Total for Mauritania		\$30,000	\$3,240	\$33,240

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
MEXICO					
PROCESS AGENT					
Preparation of project proposal					
Preparation of a process agent project	UNIDO		\$30,000	\$2,250	\$32,250
<i>Approved on the understanding that the project to be prepared should cover the total phase out of CTC for controlled uses in Mexico.</i>					
Total for Mexico			\$30,000	\$2,250	\$32,250
MOLDOVA					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan	UNEP		\$18,000	\$2,340	\$20,340
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector	UNDP		\$12,000	\$900	\$12,900
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase IV)	UNEP		\$69,334	\$0	\$69,334
Total for Moldova			\$99,334	\$3,240	\$102,574
NIGER					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan	UNEP		\$18,000	\$2,340	\$20,340
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector	UNDP		\$12,000	\$900	\$12,900
<i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>					
Total for Niger			\$30,000	\$3,240	\$33,240

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
NIGERIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV)	UNDP		\$260,000	\$19,500	\$279,500	
	Total for Nigeria		\$260,000	\$19,500	\$279,500	
PAPUA NEW GUINEA						
PHASE-OUT PLAN						
ODS phase out plan						
Terminal phase-out management plan for ODS (2nd tranche)	Germany		\$220,000	\$27,300	\$247,300	
<i>Approved on the understanding that the Government of Germany will continue to ensure performance and financial verification on an annual basis; will provide verification to the Executive Committee that the control targets listed in the agreement and the associated activities have been met; and will ensure that technical reviews are undertaken by appropriate independent technical experts.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase III)	Germany		\$60,000	\$7,800	\$67,800	
	Total for Papua New Guinea		\$280,000	\$35,100	\$315,100	
PHILIPPINES						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V)	IBRD		\$181,133	\$13,585	\$194,718	
	Total for Philippines		\$181,133	\$13,585	\$194,718	
ROMANIA						
HALON						
Preparation of project proposal						
Project preparation in the halon sector	UNIDO		\$15,000	\$1,125	\$16,125	
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan (second tranche)	UNIDO	35.8	\$236,750	\$17,756	\$254,506	5.49
	Total for Romania	35.8	\$251,750	\$18,881	\$270,631	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
RWANDA					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$18,000	\$2,340	\$20,340
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$12,000	\$900	\$12,900
Total for Rwanda			\$30,000	\$3,240	\$33,240
SAINT KITTS AND NEVIS					
PHASE-OUT PLAN					
CFC phase out plan					
Terminal CFC phase-out management plan (first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee.</i>	UNEP		\$40,000	\$5,200	\$45,200
Terminal CFC phase-out management plan (first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee.</i>	UNDP		\$50,000	\$4,500	\$54,500
Total for Saint Kitts and Nevis			\$90,000	\$9,700	\$99,700
SAINT LUCIA					
PHASE-OUT PLAN					
Preparation of project proposal					
Project preparation for a TPMP <i>Approved on the understanding that in developing and subsequently implementing the TPMP, Canada be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	Canada		\$30,000	\$3,900	\$33,900
Total for Saint Lucia			\$30,000	\$3,900	\$33,900
SENEGAL					
PHASE-OUT PLAN					
Preparation of project proposal					
Preparation of a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNIDO be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNIDO		\$15,000	\$1,125	\$16,125

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$15,000	\$1,950	\$16,950	
Total for Senegal			\$30,000	\$3,075	\$33,075	
SIERRA LEONE						
PHASE-OUT PLAN						
Preparation of project proposal						
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$18,000	\$2,340	\$20,340	
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$12,000	\$900	\$12,900	
Total for Sierra Leone			\$30,000	\$3,240	\$33,240	
THAILAND						
PHASE-OUT PLAN						
CFC phase out plan						
National CFC phase-out plan: 2006 annual implementation plan	IBRD	243.0	\$851,600	\$68,644	\$920,244	4.80
Total for Thailand		243.0	\$851,600	\$68,644	\$920,244	
TOGO						
PHASE-OUT PLAN						
Preparation of project proposal						
Project preparation for a terminal phase-out management plan <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNEP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNEP		\$18,000	\$2,340	\$20,340	
Project preparation for a terminal phase-out management plan in the refrigeration servicing sector <i>Approved on the understanding that in developing and subsequently implementing the TPMP, UNDP be requested to take into account decision 47/10(e) regarding the inclusion in the licensing systems of import controls for methyl bromide, CTC and/or TCA, as well as CFCs.</i>	UNDP		\$12,000	\$900	\$12,900	
Total for Togo			\$30,000	\$3,240	\$33,240	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
TUNISIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IV)	IBRD	20.4	\$247,270	\$18,545	\$265,815	12.10
Total for Tunisia		20.4	\$247,270	\$18,545	\$265,815	
VENEZUELA						
PRODUCTION						
CFC closure						
National CFC production closure plan (third tranche)	IBRD		\$1,750,000	\$131,200	\$1,881,200	
<i>The World Bank was requested to make available to the consultant data that are needed to conduct an effective verification prior to the on-site inspection, in accordance with the approved guidelines; and also the World Bank and the Government were requested to include a proposal in the 2007 annual work programme for a scheme for continued monitoring of CFC production at Produven to sustain the production closure after the cessation of the production by the end of 2006.</i>						
<i>Phase-out of 2,931 ODP tonnes in the production sector</i>						
Total for Venezuela			\$1,750,000	\$131,200	\$1,881,200	
YEMEN						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV-supplementary request)	UNEP	5.5	\$66,000	\$0	\$66,000	12.10
Total for Yemen		5.5	\$66,000		\$66,000	
ZIMBABWE						
FUMIGANT						
Preparation of project proposal						
Project preparation in the fumigant sector (grain storage)	UNIDO		\$20,000	\$1,500	\$21,500	
<i>Funds transferred from UNDP at the 48th Meeting of the Executive Committee</i>						
Total for Zimbabwe			\$20,000	\$1,500	\$21,500	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
REGION: AFR					
REFRIGERATION					
Chiller					
Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan)	France		\$360,000	\$46,800	\$406,800
<p><i>Approved on the understanding that external resources of US \$477,876 for the whole project were to be used only for activities considered to be part of the project costs; disbursement of the amounts approved would be dependent upon the availability of external resources as specified, to be confirmed by the Secretariat, based on the advice from the agency that external funding had been secured. The ratio between the maximum amount of Fund resources that could be disbursed and the external resources confirmed by the Secretariat should be equal to the ratio between the amount approved and the corresponding amount of associated external resources; additional countries in Africa could receive support for phase-out in the chiller sector under the project, provided that funding under the project was available, and that all other conditions established by the Executive Committee in its respective decisions regarding chiller demonstration projects were being met. UNIDO and the bilateral agencies involved would inform the Secretariat on an annual basis, and in time for the last Meeting of the Executive Committee, in every year of project implementation as well as in the year of completion, on progress in terms of implementation, main experiences and additional external resources acquired for the chiller phase-out and major market transformations observed.</i></p>					
Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan)	Germany		\$192,500	\$25,025	\$217,525
<p><i>Approved on the understanding that external resources of US \$477,876 for the whole project were to be used only for activities considered to be part of the project costs; disbursement of the amounts approved would be dependent upon the availability of external resources as specified, to be confirmed by the Secretariat, based on the advice from the agency that external funding had been secured. The ratio between the maximum amount of Fund resources that could be disbursed and the external resources confirmed by the Secretariat should be equal to the ratio between the amount approved and the corresponding amount of associated external resources; additional countries in Africa could receive support for phase-out in the chiller sector under the project, provided that funding under the project was available, and that all other conditions established by the Executive Committee in its respective decisions regarding chiller demonstration projects were being met. UNIDO and the bilateral agencies involved would inform the Secretariat on an annual basis, and in time for the last Meeting of the Executive Committee, in every year of project implementation as well as in the year of completion, on progress in terms of implementation, main experiences and additional external resources acquired for the chiller phase-out and major market transformations observed.</i></p>					

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan) <i>Approved on the understanding that external resources of US \$477,876 for the whole project were to be used only for activities considered to be part of the project costs; disbursement of the amounts approved would be dependent upon the availability of external resources as specified, to be confirmed by the Secretariat, based on the advice from the agency that external funding had been secured. The ratio between the maximum amount of Fund resources that could be disbursed and the external resources confirmed by the Secretariat should be equal to the ratio between the amount approved and the corresponding amount of associated external resources; additional countries in Africa could receive support for phase-out in the chiller sector under the project, provided that funding under the project was available, and that all other conditions established by the Executive Committee in its respective decisions regarding chiller demonstration projects were being met. UNIDO and the bilateral agencies involved would inform the Secretariat on an annual basis, and in time for the last Meeting of the Executive Committee, in every year of project implementation as well as in the year of completion, on progress in terms of implementation, main experiences and additional external resources acquired for the chiller phase-out and major market transformations observed.</i>	Japan		\$700,000	\$91,000	\$791,000	
Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan) <i>Approved on the understanding that external resources of US \$477,876 for the whole project were to be used only for activities considered to be part of the project costs; disbursement of the amounts approved would be dependent upon the availability of external resources as specified, to be confirmed by the Secretariat, based on the advice from the agency that external funding had been secured. The ratio between the maximum amount of Fund resources that could be disbursed and the external resources confirmed by the Secretariat should be equal to the ratio between the amount approved and the corresponding amount of associated external resources; additional countries in Africa could receive support for phase-out in the chiller sector under the project, provided that funding under the project was available, and that all other conditions established by the Executive Committee in its respective decisions regarding chiller demonstration projects were being met. UNIDO and the bilateral agencies involved would inform the Secretariat on an annual basis, and in time for the last Meeting of the Executive Committee, in every year of project implementation as well as in the year of completion, on progress in terms of implementation, main experiences and additional external resources acquired for the chiller phase-out and major market transformations observed.</i>	UNIDO		\$747,500	\$56,063	\$803,563	
Total for Region: AFR			\$2,000,000	\$218,888	\$2,218,888	
GLOBAL						
REFRIGERATION						
Chiller						
Global technical assistance programme in the chiller sector	UNEP		\$200,000	\$26,000	\$226,000	

List of projects and activities approved for fundingUNEP/OzL.Pro/ExCom/48/45
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Technical assistance/support						
Updating the customs training manual	UNEP		\$60,000	\$7,800	\$67,800	
	Total for Global		\$260,000	\$33,800	\$293,800	
	GRAND TOTAL	2,453.4	\$63,040,481	\$4,903,028	\$67,943,509	

Summary

UNEP/OzL.Pro/ExCom/48/45
Annex IX

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Refrigeration		\$1,252,500	\$162,825	\$1,415,325
Phase-out plan	446.3	\$3,443,092	\$364,416	\$3,807,508
Several		\$60,000	\$7,800	\$67,800
TOTAL:	446.3	\$4,755,592	\$535,041	\$5,290,633
INVESTMENT PROJECT				
Foam	181.4	\$1,479,962	\$110,997	\$1,590,959
Fumigant	56.5	\$467,000	\$35,025	\$502,025
Halon	2.4	\$50,000	\$4,500	\$54,500
Other	150.0	\$1,500,000	\$112,500	\$1,612,500
Process agent	2.0	\$26,114,480	\$1,960,303	\$28,074,783
Production		\$20,900,000	\$1,567,450	\$22,467,450
Refrigeration	731.7	\$2,156,325	\$176,107	\$2,332,432
Phase-out plan	835.9	\$3,096,802	\$242,509	\$3,339,311
TOTAL:	1,959.9	\$55,764,569	\$4,209,391	\$59,973,960
WORK PROGRAMME AMENDMENT				
Fumigant		\$20,000	\$1,500	\$21,500
Halon		\$15,000	\$1,125	\$16,125
Process agent		\$60,000	\$4,500	\$64,500
Refrigeration		\$200,000	\$26,000	\$226,000
Solvent		\$65,000	\$4,875	\$69,875
Phase-out plan		\$505,000	\$51,240	\$556,240
Several	47.2	\$1,655,320	\$69,356	\$1,724,676
TOTAL:	47.2	\$2,520,320	\$158,596	\$2,678,916
Summary by Parties and Implementing Agencies				
Canada		\$30,000	\$3,900	\$33,900
France		\$360,000	\$46,800	\$406,800
Germany	446.3	\$3,665,592	\$393,341	\$4,058,933
Japan		\$700,000	\$91,000	\$791,000
IBRD	503.4	\$49,356,803	\$3,707,066	\$53,063,869
UNDP	1,269.3	\$4,677,695	\$367,694	\$5,045,389
UNEP	26.7	\$1,352,570	\$75,140	\$1,427,710
UNIDO	207.6	\$2,897,821	\$218,087	\$3,115,908
GRAND TOTAL	2,453.4	\$63,040,481	\$4,903,028	\$67,943,509

**ADJUSTMENTS ARISING FROM THE 48TH MEETING OF THE EXECUTIVE COMMITTEE
FOR PROJECTS AND ACTIVITIES**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
France (per decision 48/2(g))*	319.681	41.559	361.240
Germany (per decision 48/2(f))*	192.547	25.031	217.578
UNDP (per decision 48/2(b)&(c))	372.434	46.296	418.730
UNEP (per decision 48/2(b)&(c))	136.537	10.279	146.816
UNIDO (per decision 48/2(b)&(c))	247.596	28.323	275.919
World Bank (per decision 48/2(b)&(c))	(5.388)	(7.607)	(12.995)
Total	1.263.407	143.881	1.407.288

* Returns from 2003-2005 triennium

**ADJUSTMENTS ARISING FROM THE 48TH MEETING OF THE EXECUTIVE COMMITTEE
FOR TRANSFERRED PROJECTS**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNDP (per decision 48/2(e)&(h))	94.480	8.803	103.283
World Bank (per decision 48/2(e))	(114.480)	(10.303)	(124.783)
UNIDO (per decision 48/2(h))	20.000	1.500	21.500

**NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS
BASED ON DECISIONS OF THE 48TH MEETING OF THE EXECUTIVE COMMITTEE**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Canada (2006)	30.000	3.900	33.900
France (1)	40.319	5.241	45.560
Germany (3)	3.473.045	368.310	3.841.355
Japan (2)	700.000	91.000	791.000
UNDP	4.399.741	330.201	4.729.942
UNEP	1.216.033	64.861	1.280.894
UNIDO	2.670.225	191.264	2.861.489
World Bank	49.247.711	3.704.370	52.952.081
Total	61.777.074	4.759.147	66.536.221

(1) Net amount for France to be applied to the 2003-2005 triennium

(2) Net amount for Japan to be applied to the 2003-2005 triennium

(3) Net amount for Germany of US \$2,894,744 to be applied in 2006 and US \$946,611 in 2007

No bilateral allocation should exceed 20 per cent of the annual contribution amount

Secretariat budget

Additional commitments 2006-2007-2008	637.373
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Annex X

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 48TH MEETING

Algeria

1. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal for Algeria and notes with appreciation that Algeria has reported data to the Ozone Secretariat showing that Algeria reduced its CFC consumption in 2004 beyond the required 50% reduction in 2005. The Executive Committee is therefore hopeful that, in the next two years, Algeria will continue with the implementation of its country programme and refrigerant management plan activities with outstanding success in the reduction of current CFC consumption and that Algeria will also succeed in reducing consumption of other ODS as required by the Montreal Protocol phase-out schedules. The Executive Committee is also hopeful that during the next phase Algeria will be able to conclude its actions towards ratification of the Montreal and Beijing Amendments.

Djibouti

2. The Executive Committee has reviewed the report presented with the Institutional strengthening project renewal for Djibouti and notes with appreciation that Djibouti has reported data to the Ozone Secretariat indicating that Djibouti is far ahead of the CFC consumption phase-out schedule. The Executive Committee is highly encouraged by the significant steps that Djibouti has taken to phase-out its CFC consumption and is hopeful that, in the next two years, Djibouti will continue with the implementation of its country programme and refrigerant management plan activities with outstanding success to achieve even greater reductions in its CFC consumption and move towards total phase-out.

Dominican Republic

3. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal for Dominican Republic and notes with appreciation that the Dominican Republic has reported its 2004 data to the Ozone Secretariat indicating that the country's consumption of CFC and methyl bromide was in compliance with the respective Montreal Protocol control measures. However, the Executive Committee notes with some concern that Dominican Republic's 2004 CFC consumption showed an increase of nearly 20% over that of the previous year which appeared to offset the past gains and pose a potential risk to the country's ability to meet the next Montreal Protocol reduction target. In spite of this, the Executive Committee is encouraged by the actions foreshadowed in the next phase of the institutional strengthening project to facilitate the country's ODS phase-out and is hopeful that the implementation of the country programme and the TPMP activities in the next two years will meet with outstanding success and ensure Dominican Republic's continued compliance with the CFC and methyl bromide consumption control measures.

Former Yugoslav Republic of Macedonia

4. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for The Former Yugoslav Republic of Macedonia and notes with appreciation that The Former Yugoslav Republic of Macedonia reported data to the Ozone Secretariat, which as at end of 2004 was less than two per cent of its CFC compliance baseline. The data also showed that the country has phased out consumption of other ODS. The Former Yugoslav Republic of Macedonia therefore is well on its way to a complete phase-out of consumption of ODS. The Executive Committee also notes the significant steps taken within the framework of the institutional strengthening project which has enabled The Former Yugoslav Republic of Macedonia to achieve such progress in phasing out its ODS consumption. Specifically, implementation of legislation through which a number of legal provisions referred to the import/export of ODS were introduced, the organization of training workshops and awareness activities to reinforce the commitment of stakeholders to ODS phase out, including brochures, books and articles, the implementation of a RMP and TPMP and a system for monitoring of ODS consumption. The Former Yugoslav Republic of Macedonia is an active member of the Regional Ozone Network for Europe and Central Asia and, within this framework, provides guidance to neighbouring countries in Montreal Protocol matters. The Executive Committee greatly supports the efforts of Macedonia to totally eliminate the consumption of CFCs. The Executive Committee is therefore hopeful that, in the next two years, The Former Yugoslav Republic of Macedonia will continue with the implementation of its country programme and the NPP activities with outstanding success and achieve its goal of complete phase-out of CFCs.

Gambia

5. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal for The Gambia and notes with deep appreciation that The Gambia has reported Article 7 data to the Ozone Secretariat showing that its CFC consumption in 2004 was zero and that it appeared to have achieved a complete phase-out of CFCs in 2004. The Executive Committee commends the Government of The Gambia on this outstanding achievement and is hopeful that the implementation of actions proposed for the next phase of the institutional strengthening project as well as the refrigerant management plan activities will meet with outstanding success and enable The Gambia to sustain its current ODS phase-out.

Guyana

6. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal and notes with appreciation that Guyana made significant progress, in spite of the difficulties encountered in the implementation of phase II of the project. Guyana reported data to the Ozone Secretariat well ahead of the reporting deadline and more significantly, achieved a level of CFC consumption much below the 50% reduction target. Guyana therefore appears to be on its way to achieving the 85% reduction target. The Executive Committee highly commends the Government of Guyana on these achievements and expresses its conviction that a way will be found to resolve the personnel issues constraining the implementation of the project, so that with dedicated personnel at the NOU, the momentum so

far gained would be sustained and the goal of achieving timely and sustainable phase-out of ODS consumption in Guyana realized with outstanding success.

Moldova

7. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal and notes with appreciation that Moldova reported 2004 consumption data to the Ozone Secretariat which showed that it has taken significant steps to phase out its CFC consumption, having reduced the CFC consumption in 2004 beyond the required 50% reduction in 2005. The Executive Committee notes and commends Moldova on the significant steps taken to enhance its capacity to meet its obligations under the Montreal Protocol, including the ratification of three of four of the amendments, training of refrigeration technicians and customs officers among others. The Executive Committee is hopeful that, in the next two years, Moldova will build on its achievements, ratify the remaining (Beijing) amendment and continue with the implementation of its Country Programme, Refrigerant Management Plan and other planned activities with outstanding success, to enable Moldova to meet the 2007 and 2010 CFC reduction targets in good time.

Nigeria

8. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Nigeria and notes with appreciation the achievements made by Nigeria's National Ozone Unit during the implementation of the third phase. In particular the Executive Committee notes the progress made by Nigeria towards meeting the 50% reduction in CFC consumption in 2005 on schedule, its ratification of the Beijing Amendment, and implementation of phase-out projects in key ODS-consuming sectors. The Executive Committee encourages the Government of Nigeria to implement its ODS legislation at the earliest possible time in order to strengthen ODS control measures in the country and ensure compliance with the requirements of the Montreal Protocol. The Executive Committee is hopeful that the objectives set out in the next phase of the institutional strengthening project will be achieved with outstanding success and enable the Government of Nigeria to meet all its obligations under the Montreal Protocol in a timely manner.

Papua New Guinea

9. The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request of Papua New Guinea and notes with appreciation that the Government has as of January 2004 taken legislative measures which have helped curb the country's ODS consumption. The Executive Committee also notes important steps taken by the Government, such as public awareness activities and the management of import quotas in conformity with its TPMP targets, as a result of which Papua New Guinea appears to have achieved the 2005 50% CFC consumption reduction target ahead of schedule in 2004. The Executive Committee is encouraged by this achievement and is hopeful that the objectives set out in the next phase of the institutional strengthening project, including ratification of the Montreal and Beijing Amendments, and continued implementation of the TPMP, will be achieved with outstanding success, and that the Government of Papua New Guinea will realize

its principal objective of reducing CFC consumption much below the 2007 reduction target of 85% established by the Montreal Protocol.

Philippines

10. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for the Philippines. The Committee notes with appreciation the continued efforts made by the Government of the Philippines to phase out ODS consumption through its national strategies addressing CFC and methyl bromide; its independent work on halon inventories and management; its demonstrated effectiveness in engaging various government agencies to develop, coordinate and implement ODS policy; and, its ongoing monitoring, enforcement and public awareness raising activities. The Executive Committee notes in particular the balanced approach applied by the Government of Philippines in curbing demand while reducing legal and illegal supply of ODS.

Tunisia

11. The Executive Committee has reviewed the terminal report presented with the institutional strengthening project renewal request for Tunisia. The Committee notes with appreciation the efforts made by the Government of Tunisia to phase out ODS consumption through its update of its country programme and the preparation of a National ODS Phase-out Plan which will address all remaining consumption of CFCs and halon; as well as through its demonstrated success in engaging various government agencies, industry and major stakeholders to develop, coordinate and implement ODS policy; and, through its ongoing monitoring, enforcement and public awareness raising activities. The Executive Committee is hopeful that the next two years will yield continued success and enable Tunisia to advance towards reaching its goal of phasing out its consumption of ODS within the Montreal Protocol timeframe.

Annex XI

AGREEMENT BETWEEN THE PEOPLE'S REPUBLIC OF CHINA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF ODS PROCESS AGENT APPLICATIONS (PHASE II)

1. This Agreement represents the understanding of China (the country) and the Executive Committee with respect to the complete phase-out of production and consumption for controlled uses of the ozone depleting substances set out in Appendix 1-A (“The Substance and PA Applications”) prior to January 1 of 2010, in compliance with Protocol schedules.
2. The Country agrees to phase out the production and consumption for controlled uses of the Substances in accordance with the annual phase-out targets set out in Appendix 2-A (“The Targets, and Funding”) under this Agreement. The annual phase-out targets will, at a minimum, correspond to the reduction schedules mandated by the Montreal Protocol. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the substances.
3. Subject to compliance with the following paragraphs by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 7 of Appendix 2-A (“The Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. Consistent with paragraph 3 (b) of Decision X/14 of the Meeting of the Parties, the amounts of CTC used for process agents applications listed in Decision XVII/8, Table A-bis, for each of the years 2006 to 2009 indicated in line 6 of the table in appendix 2A are considered to result in emission levels that are reasonably achievable in a cost-effective manner without undue abandonment of infrastructure
5. In addition to meeting the emission limits for PA I and PA II provided in line 3 and 4 of the Table in Appendix 2A, China further agrees to limit emission levels from any reconfirmed PA applications in Table A-bis of Decision 17/8 and any new potential process agent applications which might be decided by the Parties to the levels indicated in line 6 of the table.
6. The Country will reduce the residual emissions from the process agent applications for the production of chlorinated polypropylene (CPP) and chlorinated ethylene-vinyl acetate (CEVA) addressed in the phase II CTC sector plan to levels that might be agreed in future by the Parties without requesting additional assistance from the Multilateral Fund and the Agreement is entered into without prejudice to the determination by the Parties of maximum residual levels of emissions for process agent applications by Article 5 Parties.
7. If, during implementation of the phase II CTC sector plan, or at any time thereafter, China discovers applications, tonnes of CTC and/or uses (including new process agent categories) of CTC not otherwise explicitly covered in the phase II CTC phase-out sector plan, China commits to phase them out in a manner consistent with the phase-out schedule included in this Agreement at no additional cost to the Multilateral Fund.

8. The Country will meet the production and consumption limits of CTC as indicated in Appendix 2-A. It will also accept independent verification by the relevant Implementing Agency of achievement of these consumption limits as described in paragraph 12 of this Agreement. China also agrees to verify the annual amounts of CTC used for the process agent applications included in the interim Table A-bis of Decision XVII/8 and used as feedstock in the manufacture of non- ODS chemicals as part of its annual progress reporting, using the verification procedures endorsed by the Executive Committee at the 48th Meeting.

9. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 8 weeks prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:

- (a) That the Country has met the Targets for the applicable year;
- (b) That the meeting of the Targets set in row 4 in table in Appendix 2-A has been independently verified as described in paragraph 12; and
- (c) That the Country has substantially initiated all actions set out in the last Annual Implementation Programme;
- (d) That the Country has submitted and received endorsement from the Executive Committee for an Annual Implementation Programme in the form of Appendix 4-A (“Format for Annual Implementation Programmes”) in respect of the year for which funding is being requested.

10. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 12.

11. While the funding was determined on the basis of estimates of the needs of the country to carry out its obligations under this agreement, the Executive Committee agrees that the country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub paragraph 7 (d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual programme

12. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The World Bank has agreed to be the lead implementing agency (“Lead IA”) in respect of the Country’s activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A including but not limited to independent verification. The country also agrees to periodic evaluations, which will be carried out under the monitoring and evaluation work programmes of the Multilateral Fund.

The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 8 of Appendix 2-A.

13. Should the Country, for any reason, exceed the CTC production and consumption limits given in Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. In the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next instalment of Funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of the amount exceeding the Maximum Allowable CTC Production and Consumption limit (Appendix 2-A) in any one year.

14. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other ODS sector projects or any other related activities in the Country.

15. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

16. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDIX 1-A THE SUBSTANCES AND PA APPLICATIONS

1. The ozone-depleting substance to be phased out under the Agreement is CTC production and consumption (Annex B, Group II) for the following CTC process agent applications (see decision XV/6 of the Fifteenth Meeting of the Parties (UNEP/OzL.Pro.15/9)).

No.	Process agent application	Substance
19	Production of Cyclodime	CTC
20	Production of chlorinated polypropene	CTC
21	Production of chlorinated EVA	CTC
22	Production of methyl isocyanate derivatives	CTC
23	Production of 3-phenoxy bezaldehyde	CTC
24	Production of 2-chloro-5-methylpyridine	CTC
25	Production of Imidacloprid	CTC
26	Production of Bupropfenzin	CTC
27	Production of Oxadiazon	CTC
28	Production of Chlordized N-methylaniline	CTC
29	Production of Mefenacet	CTC
30	Production of 1,3-dichlorobenzothiazole	CTC

APPENDIX 2-A THE TARGETS, AND FUNDING

Unit: ODP tonnes

	Baseline (2003)	2006	2007	2008	2009	2010
1. Max allowed CTC production for consumption under the MP	29,367	7,386*	7,386	7,386	7,386	4,471
2. Max allowable CTC consumption as per the Montreal Protocol control measures	55,891	8,383	8,383	8,383	8,383	0
3. Max allowable CTC consumption for Phase I	5,049	493	493	493	493	220
4. Max allowable CTC consumption for Phase II	5,411	6,945**	6,945	6,945	6,945	994 ¹
5. Non identified CTC consumption	3,300	945	945	945	945	-
6. Max allowable amount of CTC used in process agent applications listed in the interim table A-bis of Decision XVII/8 and in potential future process agent applications as identified and reported by China in its annual verification reports***	NA	14,300	14,300	14,300	14,300	0****
Multilateral Fund funding (in US\$ thousands)						TOTAL
7. MLF Funding for Phase II		25,000	10,000	10,000	1,500	46,500
8. Agency support costs for Phase II		1,875	750	750	112.5	3,487.5

Notes: 1. provided emissions are accepted by the Parties as eligible, under decision X/14

* The allowed CTC production for consumption includes the additional production of 10% of base level allowed for basic domestic need from 2005 to 2009 and 15% from 2010

** The Bank will verify consumption by companies and applications covered by the PA II Sector Plan (Row 4). The annual verification will cover a random selection of at least 30% of all enterprises covering at least 30% of the PA II consumption,

*** These figures are subject to reconfirmation at the 50th Executive Committee Meeting. The CTC use figures for the years 2007, 2008 and 2009 will be reviewed by the Executive Committee and may be amended. China will verify the annual amount of the CTC amounts used in those applications consistent with the procedures established for CTC feedstock uses and endorsed by Executive Committee at its 48th Meeting.

**** The amount of CTC used will be reduced to zero, or any insignificant levels of emissions which might be approved by the Parties, by January 1, 2010.

APPENDIX 3-A FUNDING APPROVAL SCHEDULE (US\$'000)

1. Funding other than the payments in 2006, will be considered for approval at the second meeting of the year of the annual implementation plan. The agreed funding level for each year is shown in row 7 in Appendix 2-A.

APPENDIX 4-A- FORMAT FOR ANNUAL IMPLEMENTATION PROGRAMMES

1. The 2006 AP of the CTC/PA sector plan (phase II) submitted with the PA II Sector Plan is consistent with the agreed format for Annual Programs. This format will be used for following years Annual Implementation Programs

APPENDIX 5-A MONITORING INSTITUTIONS AND ROLES

1. Project Management Officer (PMO) of SEPA is the core organization for monitoring the implementation of the PA II Sector Plan with the responsibility for reporting to the World Bank. The PMO will be responsible for monitoring implementation of policy measures and technical assistance activities and for submitting quarterly progress reports to the Bank.
2. The Domestic Implementing Agency (DIA) will assist PMO in managing implementation of PA II Sector Plan and will submit quarterly reports to PMO.
3. The implementation status of the PA II Sector Plan will be reported to Executive Committee once a year through Annual Implementation Programmes.
4. The Bank will supervise the implementation of AIPs and will have access to any ongoing and completed activities, including random visits to PA enterprises and CTC producers under the PA II Sector Plan.

APPENDIX 6-A ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document along the lines of the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
 - (b) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the annual implementation programme;
 - (c) Assisting the Country in preparation of the Annual Implementation Programme;
 - (d) Ensuring that achievements in previous Annual Implementation Programmes are reflected in future Annual Implementation Programmes;
 - (e) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing an Annual Implementation Programme for the year for submission to the Executive Committee;
 - (f) Ensuring that technical reviews undertaken by the Lead IA are carried out by appropriate technical experts;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;

- (i) Verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Target;
- (j) Ensuring that disbursements are made to the Country in a timely and effective manner; and
- (k) Providing assistance with policy, management and technical support when required.

APPENDIX 7-A REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 9 of the Agreement, the amount of funding provided may be reduced by US \$ 1,000 per ODP tonne of reductions in production and consumption not achieved in the year.

Annex XII

AGREEMENT BETWEEN THE GOVERNMENT OF THE COMMONWEALTH OF DOMINICA AND THE EXECUTIVE COMMITTEE FOR THE TERMINAL PHASE-OUT MANAGEMENT PLAN

1. This Agreement represents the understanding of the Government of The Commonwealth of the Dominica (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances in Annex A (Group I) of the Montreal Protocol as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) and this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances as described in the TPMP document.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 5 of Appendix 2-A (the “Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each Substance as indicated in Appendix 2-A. It will also accept independent verification by the relevant Implementing Agency of achievement of these consumption limits as described in paragraph 9 of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 30 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Target for the applicable year;
 - (b) That the meeting of these Targets will be independently verified if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last Annual Implementation Programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Annual Implementation Programmes”) in respect of the year for which funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 9.

7. While the funding was determined on the basis of estimates of the needs of the country to carry out its obligations under this agreement, the Executive Committee agrees that the country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual programme.

8. Specific attention will be paid to the execution of the activities in the servicing sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation;
- (b) The technical assistance programme would be implemented in stages so that resources can be diverted to other activities such as, additional training or procurement of service tools, in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP (the "Lead IA") has agreed to be the lead implementing agency and UNDP (the "Cooperating IA") has agreed to be cooperating implementing agency under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification. The Country also agrees to periodic evaluations, which will be carried out under the monitoring and evaluation work programs of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 9 and 10 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances in Annex A (Group I) of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next instalment of Funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The Funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the Funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-115
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Appendix 2-A: The Targets, and Funding

	2006	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	0.740	0.222	0.222	0.222	0	
2. Max allowable total consumption of Annex A Group I substances (ODP tonnes)	0.740	0.222	0.222	0.222	0	
3. Lead IA (UNEP) agreed funding (US \$)	35,000	45,000	21,000	13,000	0	114,000
4. Cooperating IA (UNDP) agreed funding (US \$)	40,000	45,000	12,000	6,000	0	103,000
5. Total agreed funding (US \$)	75,000	90,000	33,000	19,000	0	217,000
6. Lead IA (UNEP) support costs (US \$)	4,550	5,850	2,730	1,690	0	14,820
7. Cooperating IA (UNDP) support cost(US \$)	3,600	4,050	1,080	540	0	9,270
8. Total agency support costs (US \$)	8,150	9,900	3,810	2,230	0	24,090
9. Total agreed costs (US \$)	83,150	99,900	36,810	21,230	0	241,090

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding other than payments in 2006, will be considered for approval at the first meeting of the year of the annual implementation programme.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

1. Data	
Country	_____
Year of plan	_____
# of years completed	_____
# of years remaining under the plan	_____
Target ODS consumption of the preceding year	_____
Target ODS consumption of the year of plan	_____
Level of funding requested	_____
Lead implementing agency	_____
Co-operating agency(ies)	_____

2. Targets

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. Industry Action

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1)-(2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Servicing						
Refrigeration						
Total						
Grand total						

4. Technical Assistance

Proposed Activity: _____
 Objective: _____
 Target Group: _____
 Impact: _____

5. Government Action

Policy/Activity Planned	Schedule of Implementation
Type of policy control on ODS import: servicing, etc	
Public awareness	
Others	

6. Annual Budget

Activity	Planned Expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", which is included within this TPMP.

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the TPMP. This organization, along with the cooperating IA will also undertake the challenging task of

monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Office.

Verification and reporting

3. Under this component there are two independent types of verification as follows:
 - (a) In accordance to decision 45/54, the Executive Committee reserves the right for independent verification in case the Executive Committee selects the Commonwealth of Dominica for related auditing;
 - (b) Verification for monitoring and in accordance to the TPMP and the TPMP Annual Implementation Programme objectives. The outcome of the different elements of the TPMP and of the monitoring activities will be verified independently by an external organization. The Government, the Lead IA and the independent organization will jointly design the verification procedures.

Institution for conducting the verification

4. Based on the discussion with the Lead IA, the Government of the Commonwealth of Dominica should select the independent organization (auditing) to carry out the verification of the TPMP results and the monitoring programme as per paragraph 5 (b) above.

Frequency of verification and reporting

5. The monitoring reports will be produced and verified each year, previous to the first meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

APPENDIX 6-A: ROLE OF THE LEAD IA

1. The Lead IA will be responsible for a range of activities specified in the project document as follows:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
 - (b) Assisting the Country in preparation of the Annual Implementation Programme;
 - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with paragraph (d) of decision 45/54. For this undertaking, separate funding will be provided by the Executive committee to the Lead Agency;
 - (d) Assist the country in Preparation of the Annual Implementation Programme;
 - (e) Ensure that the achievements in previous Annual Implementation Programmes are reflected in the future Annual Implementation Programme;

- (f) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for Annual Implementation Programme for the year of submission for submission to the Executive Committee, commencing with the 2007 Annual Implementation Programme combined with the Report on the 2006 Annual Implementation Programme;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the lead Implementing Agency;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (j) Verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets;
- (k) Coordinating the activities of the Coordinating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the Indicators; and
- (m) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IA

1. The cooperating implementing agency, will:
 - (a) Provide policy development assistance when required;
 - (b) Assist the Government of the Commonwealth of Dominica in the implementation and verification of the activities funded for by the UNDP; and
 - (c) Provide reports to the lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$15,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XIII

**AGREEMENT BETWEEN THE GOVERNMENT OF SAINT KITTS AND NEVIS AND
THE EXECUTIVE COMMITTEE FOR THE TERMINAL PHASE-OUT
MANAGEMENT PLAN**

1. This Agreement represents the understanding of the Government of Saint Kitts and Nevis (the “Country”) and the Executive Committee with respect to the complete phase-out of controlled use of the ozone-depleting substances set out in Appendix 1-A (the “Substances”) prior to 1 January 2010 in compliance with Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances in Annex A (Group I) of the Montreal Protocol as set out in row 2 of Appendix 2-A (the “Targets, and Funding”) and this Agreement. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the Substances as described in the Terminal phase-out management plan (TPMP) document.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 5 of Appendix 2-A (the “Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each Substance as indicated in Appendix 2-A. It will also accept independent verification by the relevant Implementing Agency of achievement of these consumption limits as described in paragraph 9 of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 30 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Target for the applicable year;
 - (b) That the meeting of these Targets will be independently verified if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (c) That the Country has substantially completed all actions set out in the last Annual Implementation Programme; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for an annual implementation programme in the form of Appendix 4-A (the “Annual Implementation Programmes”) in respect of the year for which funding is being requested.
6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring”) will monitor and report

on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 9.

7. While the funding was determined on the basis of estimates of the needs of the country to carry out its obligations under this agreement, the Executive Committee agrees that the country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this agreement. Reallocations categorized as major changes must be documented in advance in the next annual implementation programme and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved annual implementation programme, under implementation at the time, and reported to the Executive Committee in the report on implementation of the annual programme.

8. Specific attention will be paid to the execution of the activities in the servicing sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The technical assistance programme would be implemented in stages so that resources can be diverted to other activities such as, additional training or procurement of service tools, in cases where the proposed results are not achieved, and will be closely monitored in accordance with Appendix 5-A of this Agreement.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP (the "Lead IA") has agreed to be the lead implementing agency and UNDP (the "Cooperating IA") has agreed to be cooperating implementing agency under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Lead IA will be responsible for carrying out the activities listed in Appendix 6-A, including but not limited to independent verification. The Country also agrees to periodic evaluations, which will be carried out under the monitoring and evaluation work programs of the Multilateral Fund. The Cooperating IA will be responsible for carrying out the activities listed in Appendix 6-B. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 9 and 10 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances in Annex A (Group I) of the Montreal Protocol or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next instalment of Funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year.

11. The Funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the Funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

13. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Annex A:	Group I	CFC-11, CFC-12, CFC-115
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Appendix 2-A: The Targets, and Funding

	2006	2007	2008	2009	2010	Total
1. Montreal Protocol consumption limits of Annex A, Group I substances (ODP tonnes)	1.847	0.554	0.554	0.554	0	
2. Max allowable total consumption of Annex A Group I substances (ODP tonnes)	1.847	0.554	0.554	0.554	0	
3. Lead IA (UNEP) agreed funding (US \$)	40,000	60,000	30,000	14,000	0	144,000
4. Cooperating IA (UNDP) agreed funding (US \$)	50,000	45,000	10,000	3,000	0	108,000
5. Total agreed funding (US \$)	90,000	105,000	40,000	17,000	0	252,000
6. Lead IA (UNEP) support costs (US \$)	5,200	7,800	3,900	1,820	0	18,720
7. Cooperating IA (UNDP) support cost(US \$)	4,500	4,050	900	270	0	9,720
8. Total agency support costs (US \$)	9,700	11,850	4,800	2,090	0	28,440
9. Total agreed costs (US \$)	99,700	116,850	44,800	19,090	0	280,440

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding other than payments in 2006, will be considered for approval at the first meeting of the year of the annual implementation programme.

APPENDIX 4-A: FORMAT OF ANNUAL IMPLEMENTATION PROGRAMME

- 1. Data
 - Country _____
 - Year of plan _____
 - # of years completed _____
 - # of years remaining under the plan _____
 - Target ODS consumption of the preceding year _____
 - Target ODS consumption of the year of plan _____
 - Level of funding requested _____
 - Lead implementing agency _____
 - Co-operating agency(ies) _____

2. **Targets**

Indicators		Preceding year	Year of plan	Reduction
Supply of ODS	Import			
	Total (1)			
Demand of ODS	Manufacturing			
	Servicing			
	Stockpiling			
	Total (2)			

3. **Industry Action**

Sector	Consumption preceding year (1)	Consumption year of plan (2)	Reduction within year of plan (1)-(2)	Number of projects completed	Number of servicing related activities	ODS phase-out (in ODP tonnes)
Manufacturing						
Total						
Servicing						
Refrigeration						
Total						
Grand total						

4. **Technical Assistance**

- Proposed Activity: _____
- Objective: _____
- Target Group: _____
- Impact: _____

5. Government Action

Policy/Activity Planned	Schedule of Implementation
Type of policy control on ODS import: servicing, etc	
Public awareness	
Others	

6. Annual Budget

Activity	Planned Expenditures (US \$)
Total	

7. Administrative Fees

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the project "Monitoring and Management Unit", which is included within this TPMP.

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the TPMP. This organization, along with the cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Office.

Verification and reporting

3. Under this component there are two independent types of verification as follows:

- (a) In accordance to decision 45/54, the Executive Committee reserves the right for independent verification in case the Executive Committee selects Saint Kitts and Nevis for related auditing; and
- (b) Verification for monitoring and in accordance to the TPMP and the TPMP Annual Implementation Programme objectives. The outcome of the different elements of the TPMP and of the monitoring activities will be verified independently by an external organization. The Government, Lead Agency and the independent organization will jointly design the verification procedures.

Institution for conducting the verification

4. Based on the discussion with the Lead IA, the Government of Saint Kitts and Nevis should select the independent organization (auditing) to carry out the verification of the TPMP results and the monitoring programme as per paragraph 5 (b) above.

Frequency of verification and reporting

5. The monitoring reports will be produced and verified each year, previous to the first meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

APPENDIX 6-A: ROLE OF THE LEAD IA

1. The Lead IA will be responsible for a range of activities specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Annual Implementation Programme;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Annual Implementation Programme consistent with paragraph (d) of decision 45/54. For this undertaking, separate funding will be provided by the Executive committee to the Lead Agency;
- (d) Assist the country in Preparation of the Annual Implementation Programme;
- (e) Ensure that the achievements in previous Annual Implementation Programmes are reflected in the future Annual Implementation Programme;
- (f) Reporting on the implementation of the Annual Implementation Programme of the preceding year and preparing for Annual Implementation Programme for the year of submission for submission to the Executive Committee, commencing with the 2007 Annual Implementation Programme combined with the Report on the 2006 Annual Implementation Programme;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the lead Implementing Agency;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Annual Implementation Programme and accurate data reporting;
- (j) Verification for the Executive Committee that consumption of the Substances has been eliminated in accordance with the Targets;
- (k) Coordinating the activities of the Coordinating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the Indicators; and

- (m) Providing assistance with policy, management and technical support when required.

APPENDIX 6-B: ROLE OF COOPERATING IA

1. The Cooperating IA will:
 - (a) Provide policy development assistance when required;
 - (b) Assist the Government of Saint Kitts and Nevis in the implementation and verification of the activities funded for by the Cooperating IA; and
 - (c) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$15,000 per ODP tonne of reductions in consumption not achieved in the year.

APPROVED SECRETARIAT BUDGETS FOR 2006, 2007 AND 2008

		Approved	Approved	Approved
		2006	2007	2008
10	PERSONNEL COMPONENT			
1100	Project Personnel (Title & Grade)			
	01 Chief Officer (D2)	180.432	189.454	198.926
	02 Deputy Chief Officer (Economic Cooperation) (P5)	165.573	173.852	182.545
	03 Deputy Chief officer (Technical Cooperation) (P5)	168.891	177.336	186.203
	04 Senior Project Management Officer (P5)	160.910	168.955	177.403
	05 Senior Project Management Officer (P5)	160.910	168.955	177.403
	06 Senior Project Management Officer (P5)	160.910	168.955	177.403
	07 Senior Project Management Officer (P5)	160.910	168.955	177.403
	08 Information Management Officer (P3)	142.279	149.393	156.863
	09 Admin & Fund Management Officer (P4)	144.370	151.589	159.168
	10 Senior Monitoring and Evaluation Officer (P5)	160.910	168.955	177.403
	11 Associate Executive Assistant(P2)	74.970	78.719	82.654
	12 Associate IT officer (P2)	71.400	74.970	78.719
1199	Sub-Total	1.752.465	1.840.089	1.932.093
1200	Consultants			
	01 Technical and project review	150.000		
1299	Sub-Total	150.000	-	-
1300	Administrative Support Personnel			
	01 Admin Assistant (G8)	73.139	71.217	74.777
	02 Meeting Services Assistant (G7)	69.206	67.387	70.756
	03 Programme Assistant (G8)	73.139	71.217	74.777
	04 Senior Secretary (Deputy Chief, EC) (G6)	54.177	52.753	55.391
	05 Senior Secretary (Deputy Chief, TC) (G6)	54.177	52.753	55.391
	06 Computer Operations Assistant (G8)	73.139	71.217	74.777
	07 Secretary (Prog. Officers -2) (G6)	57.260	55.755	58.542
	08 Secretary/Clerk, Administration (G7)	61.425	59.811	62.801
	09 Registry Clerk (G5)	46.800	45.570	47.849
	10 Database Assistant (G8)	73.139	71.217	74.777
	11 Secretary, Monitoring & Evaluation (G6)	54.177	52.753	55.391
	Sub-Total	689.776	671.647	705.229
1320	Conference Servicing Cost			
1333	Meeting Services: ExCom (3)	600.000		
1335	Temporary assistance	50.000		
1399	TOTAL ADMINISTRATIVE SUPPORT COST	1.339.776	671.647	705.229
1600	Travel on official business	-		
	01 Mission Costs	160.000		
19	COMPONENT TOTAL	3.402.241	2.511.735	2.637.322

		Approved	Approved	Approved
		2006	2007	2008
20	CONTRACTUAL COMPONENT			
2100	Sub-contracts			
	01	Treasury services*	500.000	
2200	Subcontracts			
29	COMPONENT TOTAL		500.000	
30	MEETING PARTICIPATION COMPONENT			
3300	Travel & DSA for Art 5 delegates to ExCom Meetings			
	01	Travel of Chairperson and Vice-Chairperson	30.000	
	02	Executive Committee (3)	225.000	
	03	Informal Sub-Group Meetings	30.000	
	05	Expert Meeting ODS**	50.000	
39	COMPONENT TOTAL		335.000	
40	EQUIPMENT COMPONENT			
4100	Expendables			
	01	Office Stationery	15.000	
	02	Software	9.000	
		Sub-Total	24.000	
4200	Non-Expendable Equipment			
	01	Computers, printers	10.000	
	02	Others	5.000	
		Sub-Total	15.000	
4300	Premises			
	01	Rental of office premises	310.000	
49	COMPONENT TOTAL		349.000	

* As per ExCom Decision 41/3

** As per ExCom Decision 47/52

		Approved 2006	Approved 2007	Approved 2008
	MISCELLANEOUS COMPONENT			
51	Operation and Maintenance of Equipment			
	01 Computers and printers, etc.	9.000		
	02 Maintenance of office premises	9.000		
	03 Rental of photocopiers	15.000		
	04 Telecommunication equipment	9.000		
	05 Network maintenance	12.000		
	Sub-total	54.000		
52	Reporting Costs			
	01 Executive Committee meetings			
	02 Others	20.000		
	Sub-total	20.000		
53	Sundries			
	01 Communications	40.000		
	02 Freight Charges	15.000		
	03 Bank Charges	5.000		
	04 Staff training	38.000		
	Sub-total	98.000		
54	01 Hospitality costs	10.000		
59	COMPONENT TOTAL	182.000		
GRAND TOTAL		4.768.241	2.511.735	2.637.322
	Programme Support Costs (13%)	317.491	326.526	342.852
	(applied to budget lines 11 and 13.01 to 13.11 only)			
Less	Cost covered by Government of Canada ***			
COST TO MULTILATERAL FUND		5.085.732	2.838.261	2.980.174
	Previous budget schedule	4.736.015	2.778.803	2.897.976
	Increase/decrease	349.717	59.458	82.198
	Percentage Increase/decrease	6,88%	2,09%	2,76%
*** \$613,560 is expected from the Government of Canada to offset cost differentials for having the Secretariat in Montreal as opposed to Nairobi. The amount is based on 2004 actual differentials of \$267,586 for staff and \$345,974 for rent and is expected to be returned to the Fund.				