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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Forty-ninth Meeting  
Montreal, 10-14 July 2006

**PROGRESS REPORT OF BILATERAL COOPERATION AS AT 31 DECEMBER 2005**

This document includes:

- The Comments and Recommendations of the Fund Secretariat
- The Bilateral Progress Reports of Australia, Canada, Finland, France, Germany, Italy, Japan, Spain and Sweden (January - December 2005)

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

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## COMMENTS AND RECOMMENDATIONS OF THE FUND SECRETARIAT

### Comments

1. The following countries involved in bilateral cooperation activities submitted progress reports (see Annexes I-VI): Australia, Canada, Finland, France, Germany, Italy (database only), Japan (database only), Spain (database only) and Sweden. Bilateral agencies also provided data in the progress report database. Bilateral database information is provided in the Consolidated Progress Report that is available on the Executive Committee's intranet in the spreadsheet programme, Microsoft Excel 2002.

2. Progress reports have not been received from Portugal, Switzerland and the United States of America. However, data from their previous progress reports or inventories of approved projects are included in the summary table. The Executive Committee may wish to request progress reports from these countries to be submitted to the 50<sup>th</sup> Meeting in light of the fact that the progress report of bilateral agencies is the only financial indication of whether or not all of the approved funds were disbursed or if funds should be returned plus interest, where applicable.

3. Additional data from previous progress reports for other countries previously involved in bilateral cooperation are also included in the database (covering data for the projects already reported as completed by Austria, Belgium, Czech Republic, Denmark, Hungary, Israel, Poland, Singapore, Slovak Republic, South Africa and United Kingdom). These data are included in the Consolidated Progress Report (UNEP/OzL.Pro/ExCom/49/9).

4. Table 1 presents a summary of bilateral cooperation. Over US \$101.4 million has been approved for bilateral activities. The table indicates that 68 per cent of bilateral activities have been completed. Although most bilateral projects are non-investment projects, bilateral agencies estimate that their projects will result in the total annual phase-out of 8,911 ODP tonnes once completed. Completed and ongoing bilateral projects have resulted in the phase-out of 1,922 ODP tonnes. The rate of disbursement for bilateral activities is 60 per cent.

Table 1

## ANNUAL SUMMARY OF BILATERAL COOPERATION

Year Approved	Number of Approvals *	Number Completed	Per Cent Completed	ODP to be Phased Out*	ODP Phased Out*	Per Cent of ODP Phased Out	Approved Funding plus Adjustment (US\$)	Funds Disbursed (US\$)	Per Cent of Funds Disbursed	Balance (US\$)	Estimated Disbursement in Current Year (US\$)	Support Costs Approved (US\$)	Support Cost Adjustments (US\$)
1991	0	0	0%	0	0	0%	0	0	0%	0	0	0	0
1992	18	18	100%	0	0	0%	2,883,669	2,883,669	100%	0	0	0	0
1993	10	10	100%	0	0	0%	1,445,586	1,445,586	100%	0	0	0	0
1994	30	30	100%	229	243	106%	3,205,458	3,190,374	100%	15,084	0	0	0
1995	17	17	100%	234	296	127%	4,698,849	4,654,902	99%	43,947	0	0	0
1996	26	26	100%	218	43	20%	3,512,121	3,422,782	97%	89,339	0	0	0
1997	32	30	94%	154	19	12%	4,164,406	3,263,493	78%	900,913	450,000	0	1,500
1998	39	36	92%	66	21	32%	4,485,911	4,087,852	91%	345,328	271,295	0	0
1999	61	51	84%	586	213	36%	12,966,650	10,273,263	79%	2,690,387	1,091,233	1,030,434	0
2000	29	24	83%	943	94	10%	4,837,561	4,789,946	99%	47,615	43,100	543,836	0
2001	41	26	63%	1,093	164	15%	7,745,351	6,528,169	84%	1,217,182	824,972	896,577	-11,754
2002	64	33	52%	525	181	35%	9,075,117	7,102,643	78%	1,972,474	1,050,816	917,983	106,077
2003	32	12	38%	209	123	59%	6,927,400	4,595,336	66%	2,332,064	1,754,528	743,181	58,605
2004	34	4	12%	188	0	0%	15,443,378	4,082,074	26%	11,361,304	4,804,832	1,599,058	0
2005	33	1	3%	4,466	524	12%	19,967,990	293,614	1%	19,674,376	5,026,080	2,126,577	0
<b>Total</b>	466	318	68%	8,911	1,922	22%	101,359,447	60,613,705	60%	40,690,012	15,316,857	7,857,646	154,428

\*Excludes Closed and Transferred Projects  
Includes Project Preparation

### Implementation delays

5. There are 29 bilateral cooperation projects with implementation delays, after taking into consideration any projects removed from consideration as implementation delays by decision of the Executive Committee. The bilateral implementing agencies have increased the number of projects with implementation delays from 2004 by 16 projects. According to the procedures for project cancellation (decision 26/2), a report on these projects should be provided to the 50<sup>th</sup> Meeting to determine if there has been any progress towards removing the impediments causing the implementation delays. Table 2 presents, by bilateral agency, those projects with implementation delays for which an updated report will be required for the 50<sup>th</sup> Meeting.

Table 2

**PROJECTS WITH IMPLEMENTATION DELAYS**

Code	Agency	Project Title	Category of Delays
CUB/PHA/43/TAS/26	Canada	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	12 months delays
CUB/PHA/43/TAS/27	France	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	12 months delays
IND/PHA/42/INV/374	France	CTC phase-out plan for the consumption and production sectors: 2004 work programme	12 months delays
IND/PHA/45/INV/387	France	CTC phase-out for the consumption and production sectors: 2005 annual programme	12 months delays
KEN/PHA/44/INV/37	France	Terminal CFCs phase-out management plan (first tranche)	12 months delays
MOR/FUM/29/INV/37	France	Phase-out of methyl bromide use in the cut flower and banana production	12 and 18 months delays
SYR/REF/29/INV/48	France	Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Sarkisian Refrigerators	12 months delays
SYR/REF/29/INV/53	France	Conversion from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Shoukairi and Co.	12 months delays
SYR/REF/29/INV/56	France	CFC emission reduction in central air conditioning	12 months delays
ALG/SEV/43/CPG/60	Germany	Development of a country programme update	12 months delays
BRA/PHA/37/TRA/261	Germany	National CFC phase-out plan: training of refrigeration mechanics in domestic and commercial refrigeration service sub-sectors (first tranche)	12 months delays
CUB/PHA/43/TAS/25	Germany	National CFC phase-out management plan: phase-out of ODS in the refrigeration and air-conditioning sector (first tranche)	12 months delays
IND/PHA/45/INV/388	Germany	CTC phase-out for the consumption and production sectors: 2005 annual programme	12 months delays
IRA/FOA/37/INV/152	Germany	Conversion from CFC-11 to fully water-based technology in the manufacture of flexible molded PU foam at Sanayeh Dashboard Iran	12 months delays
IRA/PHA/41/INV/160	Germany	National CFC phase-out plan: 1st and 2nd tranche	12 months delays
JOR/FUM/29/INV/54	Germany	Complete phase-out of the use of methyl bromide in Jordan	12 months delays
KEN/SOL/39/INV/32	Germany	Conversion of TCA based cleaning process to non-ODS alternatives at the Kenya Power and Lighting Company	12 months delays
NAM/PHA/41/INV/10	Germany	Terminal phase-out management plan for CFCs	12 months delays
ROM/FUM/34/INV/19	Italy	Phase out of methyl bromide in horticulture	12 months delays
YUG/REF/34/INV/13	Italy	Replacement of CFC-11 with cyclopentane foam blowing agent and CFC-12 with HFC-134a refrigerant in the manufacture of domestic refrigerators and freezers at Obod Elektroindustria	12 months delays
IND/PHA/42/INV/376	Japan	CTC phase-out plan for the consumption and production sectors: 2004 work programme	12 and 18 months delays
NIR/SEV/38/TAS/104	Japan	Assistance for a national information, education and communication campaign for compliance with the Montreal Protocol	12 and 18 months delays
SRL/PHA/43/TAS/26	Japan	National compliance action plan: incentive programme for commercial and industrial refrigeration end-users	12 months delays
ASP/SEV/34/TAS/42	Sweden	Regional cooperation for monitoring and control of ODS consumption	12 months delays
GLO/SEV/41/TAS/253	Sweden	Development of handbook on industry operated systems for recovery and reuse of ozone depleting substances	12 months delays
PHI/PHA/41/TAS/72	Sweden	National CFC phase-out plan servicing sector: 2004 annual programme	12 months delays
ROM/PHA/45/TAS/31	Sweden	National CFC phase-out plan (first tranche)	12 months delays

Code	Agency	Project Title	Category of Delays
YUG/PHA/43/TAS/22	Sweden	National CFC phase-out plan (first tranche)	12 months delays
IND/REF/42/INV/370	Switzerland	National CFC consumption phase-out plan focusing on the refrigeration service sector: 2004 work programme	12 months delays

### Highlights from bilateral activities

6. Fifty-five out of the 148 ongoing bilateral projects concern refrigerant management plans (RMPs) or their components. Fourteen projects are investment projects; 11 are technical assistance activities; nine are halon banking projects; seven are sectoral phase-out plan activities; 11 are ODS phase-out plan activities; 23 are CFC phase-out plans activities; six are CTC phase-out plan activities; two are ODS closure activities; two are project preparation activities; three are recovery and recycling activities; two are institutional strengthening activities; two are demonstration activities; and one is a country programme project.

### Australia

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

#### Activities that are not subject to cancellation

8. The remaining Australian project under implementation is the national halon management and banking programme in India (IND/HAL/32/TAS/281). The Executive Committee included a condition in the approval of the project, namely, that the disbursement would not take place until a commitment had been given by the Government of India that regulations facilitating the ban on the production and import of new halon would be established within six months after the reclamation centre had been set up. Australia informed the Executive Committee that the head of the Ozone Cell undertook this condition on behalf of the Indian Government in October 2001 and the funds were then released. Australia has made further representations to the Indian Ozone Cell regarding the status of the regulations. Australia hopes to complete the final project elements and submit a project completion report by the end of 2006 but it does not expect that the regulations will be enacted during that time. The Executive Committee may wish to consider whether Australia, and its partner Canada, should proceed with the completion of the project noting several attempts to secure the required regulations and request an additional status report, as appropriate, to its 50<sup>th</sup> Meeting.

#### *Implementation delays in the PIC Regional Strategy*

9. With respect to the provision of outstanding data, both the Federated States of Micronesia (FSM/REF/36/TAS/01) and Tuvalu (TUV/REF/36/TAS/02) are working on compiling the data.

The Executive Committee may also wish to request that an additional status report on these projects be submitted to the 50<sup>th</sup> Meeting.

10. Kiribati, Federated States of Micronesia, Palau, Solomon Island, Tonga and Tuvalu are still working towards establishing ODS regulations. Australia has requested a follow-up on activities in Marshall Islands (MAS/REF/36/TAS/04). The Executive Committee may wish to request that an additional status report on the project be submitted to the 50<sup>th</sup> Meeting.

11. Continued difficulties were mentioned with respect to the provision of assistance to Vanuatu (VAN/REF/36/TAS/02). Activities are underway to move the project forward. The Executive Committee may wish to request that an additional status report on this project be submitted to the 50<sup>th</sup> Meeting.

## **Canada**

12. Annex II contains Canada's progress report narrative. Canada is implementing 19 bilateral projects, most of which are associated with RMPs. It has completed 47 additional projects and cancelled one. Ongoing Canadian bilateral projects are expected to result in the phase out of 360.1 ODP tonnes when completed. Canada is implementing RMPs in Benin, Bolivia, Chile, Saint Kitts and Nevis and Saint Lucia. Canada is also implementing halon banking projects in India (with Australia), a methyl bromide demonstration project in Kenya, a CFC phase-out plan in Jamaica, an ODS phase-out plan in Cuba, two methyl bromide technical assistance projects in Jamaica and Mexico, a chiller demonstration project in Cuba and CFC phase-out plan project preparations in Bolivia and Burkina Faso.

13. Canada's RMP activities in Benin, Bolivia, Chile, and Saint Kitts and Nevis have been delayed. Some of these activities are expected to be completed in 2006.

### Projects with implementation delays

14. One Canadian bilateral project is classified as a project with implementation delays namely, the national ODS phase-out plan in Cuba (CUB/PHA/43/TAS/26). This delay is due to the change in implementing agencies approved at the 48<sup>th</sup> Meeting.

### Activities that are not subject to cancellation

15. The monitoring report for the customs officers training component of the RMP in Benin, BEN/REF/32/TRA/08 is now delayed pending the resolution of the issue about the training of more customs officers. Similarly, the RMP component to train environmental inspectors (BEN/REF/32/TRA/11) is delayed. The Fund Secretariat understands that the resolution of the issue is further complicated due to the retirement of the NOO and the fact that a new NOO had not been appointed. The Executive Committee may wish to consider additional status reports on the projects to be submitted to the 50<sup>th</sup> Meeting.

16. Canada reported that there are several remaining activities to be completed for the halon management and banking project in India (IND/HAL/32/TAS/278), in addition to the issue of the requirement of a ban on the import of halon as discussed in the context of the Australian progress report. Activities include: a report on maintenance of all equipment and the re-training of personnel; the formation of a Halon Management Group; the formation of an Essential Use Panel; and training for all major halon users on halon decommissioning, halon collection, storage and transportation. At its 50<sup>th</sup> Meeting, the Executive Committee may wish to consider whether Canada, and its partner Australia, should proceed with the completion of the project noting several attempts to secure the required regulations, and/or may wish to request an additional status report, as appropriate.

### **Finland**

17. Annex III contains Finland's progress report narrative. Finland has completed three and is implementing two additional bilateral projects consisting of two RMP activities in Panama that are expected to be completed in 2006.

### **France**

18. Annex IV contains France's progress report narrative. France is implementing 29 bilateral projects, in addition to 57 completed projects and two cancelled projects. Eleven of France's ongoing projects are investment projects including: four CFC phase-out plan projects in Cuba, Iran and Kenya, two CTC phase-out plan projects in India, two refrigeration projects in Syria, two chiller refrigeration projects in Cote d'Ivoire and Syria, and one methyl bromide investment project in Morocco. France is implementing RMPs in the Central African Republic, Cote d'Ivoire, Ethiopia, Lao DPR, Madagascar, Mozambique, Tanzania and Uganda. France is also implementing halon banking in Iran, and recovery and recycling projects in Lebanon and Morocco. The ODS phase-out project in Cuba was cancelled in 2006. France has ongoing projects that should result in the phase out of 1,783.6 ODP tonnes, when completed. Except for the projects mentioned below, all others are on track.

#### Projects with implementation delays

19. Eight French bilateral projects are classified as projects with implementation delays, namely the national ODS phase-out plan in Cuba (CUB/PHA/43/TAS/27), two CTC phase-out plan projects in India (IND/PHA/42/INV/374, IND/PHA/45/INV/387), the terminal CFC phase-out plan in Kenya (KEN/PHA/44/INV/37), the phase-out of methyl bromide project in Morocco (MOR/FUM/29/INV/37) and three refrigeration projects in Syria (SYR/REF/29/INV/48, SYR/REF/29/INV/53 and SYR/REF/29/INV/56).

Pending response on Secretariat's comments

20. At the time of writing, the Fund Secretariat has not received a response to its comments on France's Progress Report. The Fund Secretariat raised issues with respect to the following projects:

- (a) No new information was provided for the French RMP activities in the Central African Republic (CAF/REF/34/TRA/09, TAS/10, TAS/11, and TRA/12) but the level of disbursement had increased.
- (b) The remarks for the 2005 work programmes for the CTC phase-out plan in India (IND/PHA/42/INV/374 and IND/PHA/45/INV/387) are the same as in 2004 but there had been no disbursement in either 2004 or 2005 and now the project is expected to be completed two years late.
- (c) The only activity mentioned for the halon bank project in Iran (IRA/HAL/38/TAS/49) was public bidding to hire a new project coordinator. The project was approved in July 1999 and is now expected to be completed 40 months late.
- (d) There has been no progress for either the RMP in Cote d'Ivoire (IVC/REF/24/TAS/10) that was approved in March 1998 or the RMP monitoring component (IVC/REF/37/TAS/16) approved in July 2002. It is understood that there has been political instability, however, another implementing agency has achieved progress in Cote d'Ivoire in 2005.
- (e) In the case of the chiller project in Cote d'Ivoire (IVC/REF/37/INV/17), US \$1 million has been allocated for this project since July 2002 and no funds have been disbursed to date. However, the comments on the project provided by France indicated that the project would be reactivated by linking it to the chiller demonstration project.
- (f) Concerning the R&R network in Lebanon (LEB/REF/23/TAS/21), France reported that the Government of Lebanon decided to delay the project to implement it with the national phase-out plan. However, the national phase-out plan was approved in December 2004 while the R&R network had been approved in November 1997.
- (g) Last year, France reported that the UNIDO evaluation mission on the methyl bromide project in Morocco (MOR/FUM/29/INV/37), which had been approved in November 1999, was to have taken place in February 2006. This project is now delayed by 42 months and only 8 per cent of the budget remains.
- (h) The R&R network in Morocco (MOR/REF/23/TAS/17) had been approved in November 1997. Only 1 per cent of project funds have been disbursed.

21. There were also some database problems with the French submission, which means that some of the data for France may not be consistent with the data from the other agencies. The



Fund Secretariat uses these data for several other reports and therefore data consistency issues from any individual progress report causes similar problems with the overall data for the Fund. The Executive Committee may wish to consider requesting France to provide an additional status report on the above projects under implementation to the 50<sup>th</sup> Meeting.

## **Germany**

22. Annex V contains Germany's progress report narrative. Germany is implementing 48 bilateral projects. It has completed 102 additional projects and cancelled two. Germany has ongoing projects that should result in the phase out of 2,293.9 ODP tonnes when completed. Nineteen of Germany's 48 ongoing projects are investment projects including: seven CFC phase-out plan projects in Brazil, Cuba (cancelled at the 48<sup>th</sup> Meeting), Iran, Lesotho, Namibia and Zimbabwe, two CTC phase-out plan projects in India, three refrigeration sectoral phase-out plan projects in India, three ODS phase-out plan in Afghanistan, Mauritius and Papua New Guinea, two methyl bromide projects in Jordan and Kenya, one solvent TCA project in Kenya and one foam project in Iran. Germany is also implementing RMP activities in Angola, Botswana, Egypt, Gambia, Liberia, Malawi, Seychelles, Swaziland, Syria and Zambia. It has US \$42,000 in project preparation funds available to it to prepare activities in Algeria (phase-out sector). This project has been delayed for about three years.

23. Germany is also implementing five halon banking activities in Algeria, Croatia, Nigeria, Syria and the African region, one methyl bromide technical assistance in Yemen, and one ODS phase-out plan technical assistance project in Cuba. In addition there is one recovery and recycling project in Tanzania, one refrigeration technical assistance project in China, two CFC phase-out training projects in Brazil, two institutional strengthening projects in Angola and Papua New Guinea, and one country programme activity in Algeria.

24. Only 30 per cent of the project budget has been disbursed in the implementation of the RMP in Angola (ANG/REF/39/TAS/04). The draft ODS regulations have been finalised and the Angolan Government is in the process of approving them. They are expected to be approved in 2006.

### Projects with implementation delays

25. In 2005 nine German bilateral projects were classified as a project with implementation delays. Germany had one project classified as such in 2004. The delayed projects include: country programme in Algeria (ALG/SEV/43/CPG/60), national CFC phase-out plan projects in Brazil (BRA/PHA/37/TRA/261), national ODS phase-out plan project in Cuba (CUB/PHA/43/TAS/25), CTC phase-out plan in India (IND/PHA/45/INV/388), foam project in Iran (IRA/FOA/37/INV/152), national CFC phase-out plan project in Iran (IRA/PHA/41/INV/160), methyl bromide project in Jordan (JOR/FUM/29/INV/54), solvent project in Kenya (KEN/SOL/39/INV/32) and terminal phase-out management plan project in Namibia (NAM/PHA/41/INV/10).

Projects not subject to monitoring through procedures for implementation delays

26. No information was provided on the R&R component of the RMP project in Tanzania (URT/REF/36/TAS/14) for 2005. The Executive Committee may wish to request an additional status report on this project.

27. Some projects are not subject to monitoring under the procedures for implementation delays, but may merit additional status report. For example, no information was provided on the R&R component of the RMP in Syria, (SYR/REF/30/TAS/59) with respect to tasks remaining, apart from assistance in drafting legislation. The Executive Committee may wish to consider an additional status report on this project to be submitted to its 50<sup>th</sup> Meeting.

Multi-year agreements

28. Germany is implementing eleven multi-year agreements covering Afghanistan, Brazil, Cuba (transferred in 2006), India (2), Iran, Kenya, Lesotho, Mauritius, Namibia and Papua New Guinea. Most of the tranches of these agreements are progressing well; however, there are some tranches with further delays that may merit additional reporting.

29. There is a reported delay in the CFC phase-out plan (Customs Training) in Brazil (BRA/PHA/37/TRA/260) until December 2006, due to the fact that the refrigerant identifiers have not been distributed to customs officer during training in 2005. Germany reported that several local offers for identifiers have been collected and submitted to the NOU but a decision has been delayed as it appears to be related to the current review of import restrictions and enforcement, and this process involves several departments and ministries.

30. Both tranches of the CTC phase-out projects in India (IND/PHA/42/INV/375 and IND/PHA/45/INV/388) have been delayed by 12 months. There has also been a 12 month delay in the India CFC phase-out plan (Servicing Sector), (IND/REF/42/INV/369) although 94 per cent of the funds have been disbursed. The delay in the customs and policy training components to 2005-2007 (from 2004-2005) was caused partly by a change of staff in both the Ministry of Environment & Forests and the National Academy for Customs, Excise and Narcotics.

31. Funds from the second phase of the ODS phase-out project in Mauritius (MAR/PHA/45/INV/16) are to be used for the methyl bromide conversion project at the flour mill, but a MOU on this activity has been awaiting signature since the project was approved in April 2005.

32. The Executive Committee may wish to request additional status reports on the tranches of the multi-year agreements mentioned above at its 50<sup>th</sup> Meeting.

*Eastern and Southern African halon banks*

33. Germany is implementing the regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, Tanzania and Zimbabwe) (AFR/HAL/35/TAS/29). The Fund Secretariat asked for a copy of the draft plan, and Germany

indicated that it was still under discussion. The Fund Secretariat had reminded Germany of this decision in advance of the due date for the progress report and was hoping that the regional meeting in Angola would have provided the opportunity to obtain a resolution to the Executive Committee's request.

34. Concerning the project in Eastern and Southern Africa, Germany reported that discussions with the firm AFROX have been stalled. AFROX is the South African company where the halon equipment had been housed in a shipping container. AFROX wants assurances that the suppliers of the halon to the bank would have to be responsible for the destruction of contaminated halons, but this is not agreeable to the participating countries. Moreover, the remaining funds for the project are to assist countries in decommissioning halon 1301 systems and to cover the costs of transportation to the banking facility. The Executive Committee may wish to consider requesting an additional status report on the project to be submitted to its 50<sup>th</sup> Meeting.

*Halon banking Algeria, and Nigeria*

35. Germany indicated that equipment had been installed by 5 August 2004 for the halon bank in Algeria (ALG/HAL/35/TAS/51), which was operational. In 2004 Germany indicated that 427 kg. of 1301 and 7 kg. of 1211 had been recycled, and advised that it requested further information from the NOU, but no further data has been provided. Germany also indicated that the NOU had changed several times which led to difficulties in reporting, but the NOU was currently reviewing the data. No information on activities in 2005 was provided with respect to the sectoral phase-out program to establish a halon bank in Nigeria (NIR/HAL/37/TAS/103). The Executive Committee may wish to consider requesting an additional status report on these projects to be submitted to its 50<sup>th</sup> Meeting.

Requests for additional funds

36. Germany indicated that additional funds were requested for some projects. For example, Botswana requires additional assistance with the ODS regulations, including financial assistance for its RMP Update (BOT/REF/45/TAS/09). For Swaziland's project on ODS regulations for the RMP (SWA/REF/41/TAS/08), the NOU has requested funds to hold workshops with various government enforcement agencies and importers on the ODS regulations, and its associated licensing system. In both cases, funds may be shared with other RMP components and additional funding through TPMPs are available.

**Italy**

37. Italy is implementing seven investment projects that will phase out 973.9 ODP tonnes when completed. Italy finalised four foam projects in 2004 and one refrigeration project in 2005. The remaining three projects are ongoing including one refrigeration project in Serbia and Montenegro, and two methyl bromide projects in China and Romania. These projects are expected to be completed in 2006 and 2015.

Projects with implementation delays

38. Two Italian bilateral projects are classified as projects with implementation delays, namely, the methyl bromide phase out project in Romania (ROM/FUM/34/INV/19) and the refrigeration project in Serbia and Montenegro (YUG/REF/34/INV/13).

**Japan**

39. Japan is implementing ten bilateral projects, and has completed 15. Five of Japan's ongoing projects are investment projects including: a foam project in Indonesia, two CTC phase out plan projects in India, a terminal phase-out management plan project in Mongolia and a refrigeration project in China. Japan has ongoing projects that should result in the phase out of 1,078.1 ODP tonnes when completed. Japan is also implementing five technical assistance projects including four national compliance action plans in Sri Lanka and an assistance for compliance project in Nigeria.

Projects with implementation delays

40. Three Japanese bilateral projects are classified as projects with implementation delays, namely, a CTC phase-out plan in India (IND/PHA/42/INV/376), a technical assistance project in Nigeria (NIR/SEV/38/TAS/104) and a national compliance action plan in Sri Lanka (SRL/PHA/43/TAS/26).

Multi-year agreements

41. Japan is implementing two multi-year agreements in China, one in India and one in Mongolia.

42. At the time of writing, the Fund Secretariat has not received a response to its comments on the Progress Report of Japan. The Secretariat raised issues with respect to the following projects.

- (a) No new information was provided for the TPMP in Mongolia (MON/PHA/47/INV/10).
- (b) The remarks for the ODS phase-out project in Sri Lanka are the same as provided for 2004 (SRI/PHA/43/TAS/26, 27, 28 and 29).

43. The Executive Committee may wish to request additional status reports on these projects to be submitted to its 50<sup>th</sup> Meeting.

**Spain**

44. Spain is implementing four methyl bromide bilateral projects, including one investment project in Brazil and three technical assistance projects in Mexico, Paraguay and Latin America

and the Caribbean region. These projects will phase out 172.8 ODP tonnes when implemented. Spain will complete these projects in 2006 and 2007.

## **Sweden**

45. Annex VI contains Sweden's progress report narrative. Sweden is implementing ten projects. It has completed 9 additional projects. The ongoing projects include: a project on monitoring ODS consumption in Asia, a tranche of the TPMP for Croatia, two tranches of the national CFC phase-out project in the Philippines with the World Bank, a national CFC phase-out plan project in Romania, a halon bank project in Thailand with the World Bank, two national phase-out plan projects in Serbia and Montenegro with UNIDO, a global project for the development of a handbook and project preparation for a terminal phase-out management plan in Georgia. These projects will phase out 13 ODP tonnes when implemented. Sweden is currently preparing a TPMP for Georgia (GEO/PHA/47/PRP/19) that is expected to be submitted to the 50<sup>th</sup> Meeting.

46. A little over half of the funds for the Swedish part of the Thailand halon bank project (THA/HAL/29/TAS/120) that was approved in November 1999 have been disbursed. Following the revision of the overall project that was considered by the Executive Committee in November 2005, the balance of the Swedish part will be used for additional training and technical assistance.

### Projects with implementation delays

47. Five Swedish bilateral projects are classified as projects with implementation delays; one was so classified last year. Those delayed projects include: the regional cooperation for monitoring and control of ODS consumption in Asia and the Pacific region (ASP/SEV/34/TAS/42), the development of a handbook on industry operated systems for recovery and reuse of ozone depleting substances in global region (GLO/SEV/41/TAS/253), the national CFC phase-out plan in the Philippines (PHI/PHA/41/TAS/72), the national CFC phase-out plan in Romania (ROM/PHA/45/TAS/31) and the national CFC phase-out plan in Serbia and Montenegro (YUG/PHA/43/TAS/22).

### Multi-year agreement

48. Sweden is implementing four multi-year agreements in Croatia, Philippines, Romania and Serbia and Montenegro. There was progress on the TPMP in Croatia. For the 2005 tranche of the Philippines CFC phase-out plan there was a need to change the agreement between the World Bank and Sweden.

49. The first tranche of the CFC phase-out plan in Serbia and Montenegro (YUG/PHA/43/TAS/22) is expected to take 12 months longer than originally planned. Between the project approval in July 2004 and December 2005 only 50 per cent of project funds had been disbursed. Sweden indicated that the main reason for the delay was difficulties in establishing a project management unit in both Serbia and in Montenegro. The recruitment of the PMU staff in

Montenegro is under way. The Executive Committee may wish to consider an additional status report for this project at its 50<sup>th</sup> Meeting.

## RECOMMENDATION

50. The Executive Committee may wish to:

- (a) Note with appreciation the progress reports submitted by the Governments of Australia, Canada, Finland, France, Germany, Italy, Japan, Spain and Sweden;
- (b) Request the Governments of Portugal, Switzerland and United States of America to provide their progress reports to the 50<sup>th</sup> Meeting of the Executive Committee;
- (c) Request the Governments of Canada, France, Germany, Italy, Japan, Sweden and Switzerland to provide reports on the projects with implementation delays to the 50<sup>th</sup> Meeting of the Executive Committee;
- (d) Consider whether Australia and Canada should proceed with the completion of their components of the halon banking project in India (IND/HAL/32/TAS/281 and 278), noting several attempts to secure the required regulations, and/or request an additional status report for this project to the 50<sup>th</sup> Meeting, as appropriate;
- (e) Request additional status reports on the following projects:
  - (i) Customs officers training project in the Federated States of Micronesia (FSM/REF/36/TAS/01) under Australian implementation;
  - (ii) Customs officers training project in Tuvalu (TUV/REF/36/TAS/02) under Australian implementation;
  - (iii) Customs officers training project in Marshall Islands (MAS/REF/36/TAS/04) under Australian implementation;
  - (iv) Customs officers training project in Vanuatu (VAN/REF/36/TAS/02) under Australian implementation;
  - (v) Customs officers training project in Benin (BEN/REF/32/TRA/08) under Canadian implementation;
  - (vi) Environmental inspectors training project in Benin (BEN/REF/32/TRA/11) under Canadian implementation;
  - (vii) RMP activities in the Central African Republic (CAF/REF/34/TRA/09, TAS/10, TAS/11, and TRA/12) under French implementation;

- (viii) CTC phase-out plan in India (IND/PHA/42/INV/374 and IND/PHA/45/INV/387) under French implementation;
- (ix) Halon bank project in Iran (IRA/HAL/38/TAS/49) under French implementation;
- (x) RMP in Cote d'Ivoire (IVC/REF/24/TAS/10 and IVC/REF/37/TAS/16) under French implementation;
- (xi) Chiller project in Cote d'Ivoire (IVC/REF/37/INV/17) under French implementation;
- (xii) R&R network in Lebanon (LEB/REF/23/TAS/21), under French implementation;
- (xiii) Methyl bromide project in Morocco (MOR/FUM/29/INV/37), under French implementation;
- (xiv) R&R network in Morocco (MOR/REF/23/TAS/17) under French implementation;
- (xv) R&R component of the RMP in Tanzania (URT/REF/36/TAS/14) under German implementation;
- (xvi) R&R component of the RMP in Syria (SYR/REF/30/TAS/59) under German implementation;
- (xvii) CFC phase-out plan in Brazil: Customs officers training (BRA/PHA/37/TRA/260) under German implementation;
- (xviii) CTC phase-out plan in India (IND/PHA/42/INV/375 and IND/PHA/45/INV/388) under German implementation;
- (xix) CFC phase-out plan (Servicing Sector) in India (IND/REF/42/INV/369) under German implementation;
- (xx) ODS phase-out plan in Mauritius (MAR/PHA/45/INV/16) under German implementation;
- (xxi) Regional halon bank for Eastern and Southern African countries (Botswana, Ethiopia, Kenya, Lesotho, Namibia, Tanzania and Zimbabwe) (AFR/HAL/35/TAS/29) under German implementation;
- (xxii) Halon banking project in Algeria (ALG/HAL/35/TAS/51) under German implementation;
- (xxiii) Halon banking project in Nigeria (NIR/HAL/37/TAS/103) under German implementation;

- (xxiv) TPMP in Mongolia (MON/PHA/47/INV/10) under Japanese implementation;
- (xxv) ODS phase-out project in Sri Lanka (SRI/PHA/43/TAS/26, 27, 28, and 29) under Japanese implementation; and
- (xxvi) CFC phase-out plan in Serbia and Montenegro (YUG/PHA/43/TAS/22) under Swedish implementation.

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**Annex I**

**PROGRESS REPORT OF AUSTRALIA**

## BILATERAL AGENCIES PROGRESS REPORT - AUSTRALIA

### I. Project Approvals and Disbursements

#### A. Annual Summary Data

As at 31 December 2005, the Executive Committee has approved 26 activities as bilateral contributions from the Government of Australia to the Multilateral Fund. Of the US\$ 1 172 339 approved\*, US\$ 650 639 has been fully disbursed. The remainder of the approved funding relates to projects approved in 2000 and 2002. Bilateral contributions on an annual basis are as follows:

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

\*\* Adjusted for the return of unutilised funds.

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

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

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

\* Adjusted amount - includes any adjustments for unutilised funds.

## **II. Project Completions since Last Report**

N/A

## **III. Global and Regional Project Highlights**

N/A

## **IV. Completed and Ongoing Projects**

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

Of the 26 approved activities, the Government of Australia has completed 7 and 17 are classified as ongoing. 16 of Australia's ongoing projects consist of Australia's contribution to the Pacific Island Countries Regional Strategy approved by the Executive Committee in January 2002.

One project, *Replacement of methyl bromide with non- ozone depleting substances in grain storage*: KEN/FUM/21/DEM/12 was cancelled at the 30<sup>th</sup> Meeting of the Executive Committee and the undisbursed balance of US\$91 869 was returned for reprogramming on 29 June 2000. A Project Cancellation Report was submitted to the 32<sup>nd</sup> Meeting of the Executive Committee. Another project, *Implementation of the RMP: Programme for the recovery and recycling of CFC 12 refrigerant*: VIE/REF/34/TAS/34 was transferred to UNDP for implementation as Australia could not reach agreement with UNDP on implementation modalities.

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

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

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

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

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

The halon reclamation facility was established in 2003. Implementation of the following activities was planned for completion in 2004:

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

Australia (and Canada) provided additional status reports with respect to this project as it is classed as a project with an implementation delay (UNEP/OzL.Pro/ExCom/48/16). As reported, the NOU had committed to complete pending work by March 2006. However,

since then, the NOU requested, and was granted, an extension until the Meeting of the Parties (October 2006).

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

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

Australia is responsible for the following components of this project:

1. training programme for refrigeration technicians including MAC recovery and recycling equipment; and
2. assistance for enforcing ODS regulations and training programme for customs officers.

Eight train-the-trainer workshops on “Good Practices in Refrigeration” have been successfully conducted, completing the first phase of Australia’s component of the Regional Strategy. All participating countries were involved in these workshops.

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

- model regulations and UNEP publications “ODS Import/Export Licensing Systems – Resource Module” and “Regulations to Control ODS: A Guidebook” were circulated to each country participating in the strategy during 2002; and
- country-specific advice on the detail of their ODS Regulations has been provided to each participating country.

Approval of ODS regulations has been completed only in the Marshall Islands. The cause of delays in implementing regulations in other Pacific participants varies, countries report that delays are due to ongoing reviews of overarching Environment Acts and problems with limited personnel at the law-making authorities. UNEP and SPREP will continue to support countries effort to establish ODS regulation and expect that more will be forthcoming within 2006.

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

#### **V. Status of Project Preparation, by country**

N/A

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

N/A

**Annex II**

**PROGRESS REPORT OF CANADA**

## 2005 Status on Canada's Bilateral Activities

### I. Project Approvals and Disbursements

#### A. Annual Summary Data

As of December 31<sup>st</sup> 2005, the Executive Committee has approved 68 activities as bilateral contribution from the Government of Canada to the Multilateral Fund. Of the US \$7,944,695 approved as bilateral contributions from Canada, US \$6,269,957 has been disbursed including completed projects. Bilateral contributions on an annual basis are as follows:

Year	Amount*
1993	\$649,500.00
1994	\$536,270.00
1995	\$50,000.00
1996	\$761,685.00
1997	\$853,950.00
1998	\$548,710.00
1999	\$727,040.00
2000	\$917,251.00
2001	\$878,582.00
2002	\$525,450.00
2003	\$412,959.00
2004	\$682,825.00
2005	\$400,473.00
<b>TOTAL</b>	<b>\$7,944,695.00</b>

\*Adjusted for the return of unutilized funds

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

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

Type	Number of Projects	Amount Approved (US dollars)*
Country Programmes		
Demonstration Projects	4	\$784,464
Institutional Strengthening		
Investment Projects	8	\$990,080
Project Preparation	5	\$92,400
Technical Assistance	31	\$4,296,669
Training	20	\$1,781,082
<b>TOTAL</b>	<b>68</b>	<b>\$7,944,695</b>

\*Adjusted for the return of unutilised funds

## II. Project Completions Since Last Report

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

## III. Global and Regional Project Highlights

The following provides highlights of a few selected projects.

### Bolivia: RMP

Training of refrigeration technicians was completed in June 2005. 118 customs officers have been trained in ODS import controls and ODS identification kits were distributed in Feb. 2005. Public awareness activities commenced in 2004 and will be completed by April 2006. Phase 1 of R&R equipment delivered in March 2005 and Phase 1 R&R technician training was completed in Dec. 2005.

### Chile: RMP

Over 1,600 technicians have been trained and 7 local training institutions have been equipped with modern refrigeration servicing equipment, with Refrigeration Good Practices incorporated into their curricula. ODS control legislation was recently approved, thus allowing for R&R activities to commence in 2006. UNEP is responsible for carrying out the Training of Customs Officers and Public Awareness components of the RMP.

### Cuba TPMP

The Canadian component of the TPMP was initiated at the end of 2004 with the implementation of the first phase of public awareness activities and the first phase of the procurement of tools and recovery and recycling machines (R&R). First phase of R&R equipment shipped in May 2005. A total of 63 portable R&R machines, one transportable CFC-11 recovery system and various refrigeration servicing tools were provided and distributed in Phase 1. Regarding public awareness activities, R&R and retrofitting posters and pamphlets were developed and distributed, television commercials were produced and broadcasted, and stickers for retrofitted equipment were distributed.

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

This project is implemented in cooperation with UNDP. The Canadian component of this project includes mostly activities for further training of refrigeration technicians and customs officers, recovery and recycling and the development of a code of good practice for refrigeration. In 2002, the code of good practice was completed and distributed to refrigeration technicians through various awareness raising workshops. Amendments to the Ozone Act were passed, making the certification of technicians in good practices mandatory. A refresher course for customs officers was held. Phase II of the Canadian component began in late 2004 and was completed in December 2005, including the completion of additional customs officer training, procurement of R&R equipment and training, and refresher courses on good refrigeration practices.

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

Of the 68 activities approved to date, 47 have been completed, one was closed, one was transferred to another agency and the remaining 19 are on-going.

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

##### Bolivia TPMP Preparation:

Canada is currently working with Bolivia on the implementation of its RMP, scheduled to be completed by the end of the first semester of 2006. Based on Decision 45/54 Bolivia requested Canada to solicit project preparation funding for its Terminal CFC Phase-out Management Plan at ExCom 47. Project preparation work is at its initial phase. An agreement and work plan should be completed by Canada and Bolivia by May 2006 and data collection and analysis for the TPMP preparation should begin then. EC is planning to submit the project proposal to the last meeting of the ExCom in 2006.

##### Burkina Faso TPMP Preparation:

Canada and UNEP jointly implemented Burkina Faso's RMP from 1999 through 2003. Based on Decision 45/54 Burkina Faso requested Canada and UNEP to solicit project preparation funding for its Terminal CFC Phase-out Management Plan at ExCom 47. Project preparation work is presently at its initial phase, with an MOU having been signed between UNEP and Burkina Faso, as well as a formal agreement between Canada and Burkina Faso. National consultants began data collection in March 2006 and an international consultant will be selected by June 2006. EC and UNEP are planning on submitting the final project proposal for last meeting of the ExCom in 2006. Canada and UNEP will implement the project jointly.

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

n/a



**Annex III**

**PROGRESS REPORT OF FINLAND**

## 2005 Status on Finland's Bilateral Activities

### I. Project Approvals and Disbursements

#### A. Annual Summary Data

As of December 31<sup>st</sup> 2005, the Executive Committee has approved 5 activities as bilateral contribution from the Government of Finland to the Multilateral Fund. Of the US\$ 451,870 approved as bilateral contributions from Finland, US\$ 302,026 has been disbursed including completed projects.

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

Bilateral contributions on an annual basis are as follows:

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

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

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

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

### II. Project Completion's Since Last Report

NIC/REF/25/TAS/06

### III. Global and Regional Project Highlights

None

### IV. Completed and On-going Projects

Of the 5 activities approved to date, 3 have been completed and 2 are ongoing. RMP components managed by UNEP include policy and training projects, which are not limited to the NOU mandate, but most of the cases require involvement of high-level country officers. Consequently, minimization of delays is less likely to be controlled by the Implementing Agency as far as policy issues are at stake (i.e. time

spent in coordinating with other organizations, frequent changes of directors/ministers, presidential elections, etc.). The following actions are planned in order to improve the execution the two ongoing projects:

- Panama customs (PAN/REF/29/TRA/12): In order to complete implementation of Customs Training in Panama during 2006, a new MOU under the National Phase-Out Plan is under signature by the Panamanian Customs Office. The signature of this MOU will allow having a permanent focal point within the Customs Training Department and avoid gaps due to high turn-over during 2005.
- Panama monitoring (PAN/REF/29/TAS/11): Final training activities are scheduled for the second quarter of 2006, the last Monitoring and Evaluation component of the RMP will be carried out and completed during the third quarter of 2006

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

None

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

None



*Annex IV*

**PROGRESS REPORT OF FRANCE**

## SUMMARY NARRATIVE OF FRANCE PROGRESS REPORT UNTIL 31 DEC 2005

### I. Project Approvals and Disbursements:

#### A. Annual Summary Data:

Until 31 December 2005, the Executive Committee (ExCom) approved 88 projects as French bilateral contribution to the Multilateral Fund. This corresponds to an Adjusted Approved Funding of US\$ 12,866,014.

5 749 565\$\$ or 44% have been disbursed altogether, of which 1,456,657 \$ in 2005.

France has increased its bilateral activities:

<u>Year</u>	<u>Approved Funding plus Adjustments (US\$)</u>
1994	235,851
1995	120,000
1996	961,572
1997	1,766,636
1998	662,250
1999	2,685,088
2000	246,837
2001	532,182
2002	1,064,500
2003	1 006 620
2004	1,686,726
2005	1,897,752
<b>Total</b>	<b>12,866,014</b>

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

According to the Multilateral Fund Secretariat classification, France's bilateral activities are of the following nature:

<u>Type</u>	<u>Number of Projects</u>	<u>Approved Funding plus Adjustments (US\$)</u>
Country Program (CPG)	4	133 955
Institutional Strengthening (INS)	1	38 874
Investment Project (INV)	24	7 772 698
Project Preparation (PRP)	13	320 500
Technical Assistance (TAS)	31	3 584 813
Training (TRA)	15	1 015 174
<b>TOTAL</b>	<b>88</b>	<b>12,866,014</b>

## II. Project Completions since Last Report

The following projects have been completed in 2005:

MOR/REF/32/TAS/42	Technical assistance for cold storage equipment (training and demonstration project)
SYR/REF/29/INV/54	Conversion from CFC-11 to HCFC-141b and from CFC-12 to HFC-134a technology in the manufacture of commercial refrigeration equipment at Bashar Refrigerators

We would also suggest that the project LEB/REF/28/TAS/29, "Remaining issues for a RMP and preparation of strategy and projects for reduction of CFC emissions in centrifugal chillers" be considered as COMPLETED, as no interest has been expressed in favour of this project since August 2001 when the study was completed.

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

The Executive Committee has approved a total of 88 projects as French bilateral contribution to the Multilateral Fund. Their status is the following on 31 December 2005:

**INV:** 24 projects approved

- 12 projects are completed
- 11 are ongoing, and include new approvals
- 1 was cancelled (ASP/MAL/SOL/18/INV/78)

**TAS:** 31 projects approved.

- 17 projects are completed
- 13 are on going, and include a new approval
- 1 was cancelled (IRA/SEV/26/TAS/36)

**TRA:** 15 projects approved

- 10 projects are completed
- 5 are on going

## V. Status of Agreements and Project Preparation by country:

The Executive Committee has approved a total of 13 project preparations as French bilateral contribution to the Multilateral Fund since 1994. All have been completed.

No new preparation projects were approved in 2005.

## **VI. Administrative issues (Operational, Policy, Financial, and Other Issues)**

### **A. Meetings Attended**

The French GEF represented France in 3 Executive Committee meetings, 1 interagency meeting and 2 African ozone officers network meetings.

The French GEF was also present in the OEWG.

### **B. Co-operation**

France has increased its co-operation activities in 2005, with UNEP through a joint project, and quite substantially with Germany through financial agreements. France has therefore globally increased its bilateral contribution to the Multilateral Fund. By doing so, France also broadened its scope of intervention to Eastern Africa and Asia (India, Iran).

### **C. Other Issues**

In 2005, the French GEF on behalf of France concentrated quite some time on reactivating a certain number of projects, the goal being to accelerate implementation and the rate of disbursements. This process will be continued in 2006.

## **Annex I Country Development and Institutional Strengthening Unit Highlights**

### **A. Country Programs**

Since 1994, 4 Country Program preparations have been approved and completed for Mauritania, Vietnam, Madagascar and Vietnam.

### **B. Institutional Strengthening:**

1 project was approved in 1994 and completed in 1999.

## **Annex II: Database of French bilateral activities carried out within the framework of the Montreal Protocol on 31 December 2005.**



**Annex V**

**PROGRESS REPORT OF GERMANY**

## **Germany's Progress Report 2005**

### **General remarks:**

The year 2005 was the final year of the 5<sup>th</sup> triennium and therefore Germany again faced the challenge to completely allocate 20% of Germany's contribution to the Multilateral Fund through its bilateral program. With the assistance and active inputs from the Multilateral Fund Secretariat this task was again accomplished successfully, for which we are indeed very grateful.

A total of 2 new projects and 6 tranches of multiyear agreements were approved by the 45<sup>th</sup> and 47<sup>th</sup> ExCom meetings in 2005. The volume of approved funding was US \$1,855,203, completing Germany's bilateral funding commitment for the triennium of US \$11,348,664.

### **Jordan MB project accounting error:**

Germany and Jordan discovered a discrepancy in the reported funds dispersed. A subsequent internal audit found unrelated costs mistakenly booked under this project during the years 2000 and 2001. The accounting errors were corrected and Jordan and the Multilateral Fund Secretariat were informed. The current progress report contains the corrected figures as of 31 December 2005.

### **Project Completion Reports:**

Germany still faced problems with the compilation and submission of Project Completion Reports. However, the problems are being tackled and will be overcome in due course.

### **Report of Status Changes:**

The status of 9 projects was changed to COM, and 6 projects were changed to FIN.

**Annex VI**

**PROGRESS REPORT OF SWEDEN**

## 2005 Status Report on Sweden's Bilateral Activities

### 1. Project Approvals and Disbursements

#### A. Annual Summary Data

The Executive Committee (ExCom) has until 31 December 2005 approved nineteen activities plus one extension project as bilateral contributions from the Government of Sweden to the Multilateral Fund. Separate tranches to National Phase out plans or Terminal Phase-out Management Plans are not included in this figure. As of 31 December 2005 funds had been disbursed for these projects as specified in the enclosed progress report.

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

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

Type	Number of Projects
Country Programmes	-
Demonstration Projects	-
Institutional Strengthening	-
Investment Projects	-
Project Preparation	5
Technical Assistance	13
Training	1
TOTAL	19

### II. Project Completions

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

### **Philippines NCPP preparation**

At the 29<sup>th</sup> Meeting of the Executive Committee (July 2001), the Government of Sweden received approval for preparation of a government strategy to reduce and eliminate the use of CFC refrigerants for servicing and installations on site in the Philippines. Detailed discussions with the Philippine authority in charge, Department of Environment and Natural Resources, on the implementation took place May 2000. International and local consultants were contracted and in November 2000, the first meeting with the involved authorities and the private sector was conducted. A survey of current consumption and use in the sector was conducted and an RMP outline was adopted in October 2001.

The project was coordinated with the WB into a National CFC-phase-out Plan (NCPP) mainly during a data collection workshop in April 2002 and meeting in Stockholm in June 2002. The project was submitted jointly with the WB to the 38<sup>th</sup> ExCom meeting where it was approved in November 2002.

### **Croatia TPMP preparation**

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

### **Serbia and Montenegro NCPP preparation**

At the 40<sup>th</sup> ExCom (July 2003) Sweden received approval for assisting Serbia and Montenegro in preparing a NCPP in collaboration with UNIDO. A first draft NCPP was prepared by Sweden and in Jan. 2004 discussed within the NCPP Working Group in SEM. The data collection was finalized in February 2004. The NCPP was approved at the ExCom43 in July 2004 with Sweden as co-implementing agency together with UNIDO as the lead implementing agency.

### **Romania NCPP preparation**

In July 2004, at the 43rd Meeting of the Executive Committee, the Government of Sweden received approval for the preparation of a national CFC phase-out plan for the servicing sector in Romania. After recruitment of consultants a mission was held in November 2004. The NCPP was prepared during the autumn 2004 and was approved at the 45th ExCom meeting in April 2005.

### **Lao PDR**

The Swedish contribution in the Implementation of the Refrigerant Management Plan for Lao PDR consists of technical assistance to prepare an import/export licensing system and was approved in July 2001). International and national consultants were contracted in April 2002. After an initial delay in the signing of agreement and data collection the project is completed, only awaiting Lao PDR's approval of the final report. The Decree for the "Control of the Import-Export and Consumption of ODS" was signed late 2003. A regulation for how the new Decree shall be implemented has been developed and the regulation was signed by the Minister in Nov. 2004. Sweden and the IC gave a number of suggestions on drafts on the regulation during 2004. An information brochure to all importers informing them about the licensing system has been finalized during 2005.

## **Handbook – Servicing sector**

See below.

### **III. Global and Regional Project Highlights**

#### **A. Global Projects**

##### **Handbook – Servicing sector**

At the 41<sup>st</sup> meeting of the ExCom, the Governments of Sweden and Japan received approval for developing a Handbook related to the servicing sector. A Draft outline of the Handbook with a broader perspective in accordance with the ExCom decision was developed in March 04. A first full Draft was developed in Feb. 2005 and was thereafter substantially revised twice. The text was sent for a review by UNEP/DTIE, Japan and the NOUs of Croatia and the Philippines in June 2005. Responses were received in Aug-Sept 2005. After taking into account the comments received, the layout and printing was organised. The printed version was received in February 2006 and the distribution to all NOUs and relevant agencies was organised by UNEP. The Handbook was presented at the network meeting in Pakistan in February 2006 and at the Network meeting in Georgia in April 2006. The Handbook is available at the SEI and UNEP web pages for down load.

#### **B. Regional Projects**

##### **Regional Customs Cooperation**

At the 34<sup>th</sup> Meeting of the Executive Committee, the Government of Sweden received approval for establishing a customs cooperation network in the SEAP region. At the 39<sup>th</sup> ExCom Sweden got approval for extending the project to the South Asia region. UNEP/ROAP has been contracted as implementing agency in collaboration with Sweden. A steering group is appointed for each meeting. Five successful meetings have been held for the SEAP participants and three of these meetings have been held jointly with the SA participants. The fourth joint and the final meeting will be held in Thailand in May 2006. Meetings and work tasks in between meetings have allowed for substantial capacity building of the officers involved. Some of the practical achievements so far are improved national cooperation between ozone and customs officers; improved regional information exchange such as an agreement to share information on licensed ODS importers and exporters regionally and annually. A desk study on imports and exports between the countries in the region have also been undertaken which highlighted the discrepancies between the reported figures in imports and exports and demonstrated the need to further improve the monitoring and control of ODS.

### **IV. Performance Indicators**

N/A

### **V. Status of Agreements and Project Preparation, by Country**

#### **The Philippines NCPP implementation**

In November 2002 ExCom approved the NCPP for the Philippines. WB is lead agency. Sweden is co-implementing agency for technical assistance activities in the servicing sector.

The Swedish funding mainly aimed to support establishment of a reclamation capacity, the establishment of a Code of Good Practice (CoP) and to support the work of the Project Management Unit (PMU).

In October 2002 a mission was conducted in order to coordinate the scheduled activities in the NCPP with the DENR and relevant authorities in the Philippines. During 2003 the national ODS legislation was revised and was approved in March 2004. Missions to assist in relation to the ODS regulation, training of trainers, equipment requirements, CoP, re-use scheme and technician certification have been conducted. The mission in January 2004 was a joint mission with the WB. The second joint mission during 2004 was held in June 2004 and invited at the mission were also the Technical work group, relevant authorities and the Swedish Embassy for a formal acceptance of the first Philippine Code of Good Practice. As of December 2004, seventy-one trainers were trained under the train the trainers Program. In Feb 2005 a mission was conducted mainly in order to finalize details of plan for re-use of CFC including reclamation facility to be operated by PARII and to present it to all refrigerant importers and also to discuss the Evaluation Officer comments resulting from an evaluation mission to Manila in Dec. 2004. Mainly due to change in staffing at POD/PMU no further mission was held during 2005. Sweden however gave comments on changes related to the servicing sector agreed on a WB mission in October 2005. A joint mission with the WB took place in March 2006 to discuss the changes in the agreement between WB and Sweden, the training component and the establishment of the pilot reclamation facility.

As of Dec 2005, the following activities were conducted: Completion of the train the trainers Program; Agreement between the DENR-EMB and PARII (delineate the roles and responsibilities of concerned sectors and authorize PARII to collect fees from refrigerant importers) reviewed and revised; PARII selected as the operator of the facility (to be confirmed in 2006); Meetings with PARII held to discuss and update proposal initially submitted to the PMU; PMU initiated procurement of the reclamation facility in Dec. 05; Code of Good Practice for RAC and MAC finalized and presented to stakeholders; Eight-thousand copies of CoP printed and disseminated to different service shops; and Notice to All Concerned Stakeholders on the CoP published in a major daily.

#### **Croatia TPMP implementation**

The assistance to Croatia in the implementation of the TPMP is jointly implemented by UNIDO and Sweden, with UNIDO as the lead implementing agency. In May 2003, Sweden met UNIDO and a representative from the Ministry at a meeting in Vienna to discuss the implementation of the TPMP. Terms of Reference for the international and national consultants were prepared during May 2003. Two international and one national consultant are contracted. The first mission to Croatia was conducted in September 2003.

During 2004 and 2005, the national ODS regulation (By-law) was revised and adopted. The reclamation equipment was delivered during autumn 2004. A mission took place in March 2005 and Sweden and the IC met with UNIDO in Vienna in September 2005 to discuss some outstanding issues. The IC conducted the training of technicians for the reclamation facilities in October 2005. In March 2006 Sweden received the final report from the national consultant.

#### **Serbia and Montenegro NCPP implementation**

The assistance to Serbia and Montenegro (SEM) to develop a NCPP for the servicing sector was completed in a joint undertaking with UNIDO during the spring 2004 and the plan was

approved in July 2004. UNIDO is the lead implementing agency for assisting in the implementation of the NCPP while Sweden is co-implementing agency with technical assistance projects in the servicing sector as requested by SEM.

A startup meeting between SEM, Sweden and UNIDO was held in September 2004. The NCPP activities were further discussed at and after a stakeholder meeting in December 2004. Term of references for an international consultant was developed and a consultant was recruited in June 2005. Two missions were held during October and November 2005 in order to involve the stakeholders and to discuss the activities to be implemented. Representatives from both Serbia and Montenegro have been involved. A survey of vocational schools was initiated during 2005 as well as the recruitment of two PMU managers.

### **Thailand**

The Swedish contribution to the Thai Halon Management Programme consists of technical assistance. The project is being implemented by the World Bank. Sweden disbursed 100% of the Swedish contribution to the WB in May 2001.

The project has been substantially delayed. This has been mainly due to turnover of personnel at DIW and problems with finding qualified national consultants. During the autumn 2003 the project got started. After establishing the regulatory framework necessary to control consumption of halons in the country, and after completing a detailed analysis of the long-term sustainability of central halon reclamation and recycling facility, the Royal Thai Government (RTG) in 2004 concluded that a physical halon bank is not economically feasible for Thailand in the current national context. The technical assistance activities approved under the original project have more or less been finalized with a smaller balance from the Swedish part, but none of the approved investment funds have been disbursed (WB part).

Following this, Thailand and the WB has, as requested by the ExCom, submitted a revised project proposal together with a request for reallocating unspent resources to implement a revised Halon Management Program that was approved in Nov. 2005. Sweden provided input to the proposal before submission. Following comments from the MLFS on the proposal, some of the activities were decided to be covered by the balance of another ongoing halon investment project in Thailand - aiming at the phase-out of halon for fire equipment manufacturers and suppliers. This result in that USD 164.000 from the WB part of the Thai Halon Management Plan project is to be returned to the MLF.

The new halon program aim at providing enforcement of regulatory measures, training and technical assistance, demonstration of currently available alternatives for conversion of halon-based fixed fire fighting systems, and public awareness activities. The balance from the Swedish part will be used for additional training and technical assistance.

### **Romania NCPP implementation**

The NCPP for Romania was approved at the 45th ExCom meeting in April 2005. Two International consultants were recruited in June 2005. A first meeting with the NOU and UNIDO took place in Vienna in September 2005 and the first meeting in Bucharest took place in February 2006. The PMU was thereafter established. A term of Reference for a national consultant to develop the Code of Practice has been agreed and the consultant will be recruited in May 2006.



### **Georgia TPMP preparation**

In December 2005 at the 47th Meeting of the Executive Committee, the Government of Sweden received approval for the preparation of a Terminal phase-out management plan in Georgia. A national and an international consultant have been contracted and the first mission was undertaken in the beginning of February 2006. The national consultant is currently collecting additional data. A second mission is scheduled for early June to discuss an draft TPMP. The final TPMP will be submitted to the 50<sup>th</sup> ExCom meeting for consideration.

## **VI. Administrative Issues**

### **A. Adjustments**

N/A

### **B. Other Issues**

N/A