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EXECUTIVE COMMITTEE OF
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PROJECT IMPLEMENTATION DELAYS

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.

Overview

1. This document is submitted as a follow-up to decisions taken at previous meetings of the Executive Committee concerning projects with implementation delays. The reports from the implementing and bilateral agencies on projects with implementation delays are available to Executive Committee members upon request.

2. This document is divided into three sections. Section I addresses the projects with implementation delays for which reports were requested by the Executive Committee. Section II addresses delayed projects in countries with related compliance issues. Section III considers a project proposed for possible cancellation at the 49th Meeting that does not have an impact on compliance. There is no section on “additional status reports” since no reports were requested for this meeting.

Section I: Projects with implementation delays

3. Thirty-eight ongoing projects have been classified as projects with implementation delays. Projects with implementation delays are: i) projects expected to be completed more than 12 months late; and/or, ii) projects where disbursement has not occurred within 18 months of the project’s approval. Based on reports received from implementing and bilateral agencies, the breakdown of projects with implementation delays is as follows: the World Bank: 9; UNEP: 9; UNIDO: 8; UNDP: 6; France: 4; Italy: 1; and, Sweden: 1.

4. Table 1 below reflects the causes of implementation delays provided in the agencies’ reports. Implementing and bilateral agencies identified the causes for implementation delays associated with these projects based on seven categories (A to G). The total number of causes for delay exceeds the number of delayed projects because in some projects there were multiple causes for delay in implementation. Table 1 indicates that delays are most commonly caused by factors associated with the beneficiary enterprise (13) and the Government (10).

Table 1**CATEGORIES OF CAUSES OF IMPLEMENTATION DELAYS, BY AGENCY**

	Category	France	Italy	Sweden	UNDP	UNEP	UNIDO	World Bank	Total
A	Implementing or Executing Agencies				2	1		3	6
B	Beneficiary Enterprise				2		5	6	13
C	Technical Reasons				1	2	3	1	7
D	Government				1	6	1	2	10
E	External							4	4
G	Executive Committee Decisions						1		1
N/A	Not Applicable	4	1	1	2	1			9

Progress in resolving causes of delays

5. In their reports the implementing and bilateral agencies indicated that there have been varying degrees of progress in overcoming delays. Three of the projects listed with delays at the 48th Meeting have now been completed.

Projects with some progress

6. Twenty-seven projects were classified as showing “some progress”, and the implementing and bilateral agencies indicated that the projects would continue to be monitored. Notwithstanding progress, it should be noted that projects approved over three years ago must continue to be monitored pursuant to decision 32/4 and therefore cannot be removed from the list for monitoring prior to their final completion regardless of the extent to which progress may have been achieved.

Projects with no progress—letter of possible cancellation

7. The projects for which no progress is being reported for the first time are indicated in Table 2 below. The Secretariat, UNDP and the World Bank agreed on the assessments of no progress. However, no progress could also be detected from UNEP’s reports on the project listed in Table 2, although UNEP classified these projects as having experienced some progress. For a consistent assessment, the Fund Secretariat re-classified these projects from “some progress” to “no progress”. Under the existing procedures, the Fund Secretariat will send notices of possible cancellation for the UNDP, UNEP and the World Bank projects that are classified below as having shown no progress.

Table 2**PROJECTS WITH NO PROGRESS**

Agency	Code	Project Title	Net Approved Funds (US\$)	Funds Disbursed (US\$)
UNDP	CUB/ARS/34/INV/18	Phase-out of CFC-12 in the manufacture of insecticides and technical aerosols by conversion to hydrocarbon propellant at CIDT aerosol plant in Cuba.	124,220	122,388
World Bank	JOR/HAL/32/INV/69	Terminal halon-1211 and halon-1301 phase-out umbrella project for fire equipment manufacturers and suppliers in Jordan converting to ABC powder, CO ₂ , HFC-227ea and inert gases as substitutes.	563,000	535,417
World Bank	PAK/FOA/23/INV/20	Umbrella project: Conversion to CFC-free technology in the manufacture of rigid polyurethane foam (thermoware) in Pakistan.	1,600,000	1,330,864
World Bank	PAK/FOA/25/INV/25	Terminal umbrella: Conversion to HCFC-141b and water blown technology in the manufacture of rigid polyurethane foam (thermoware) in Pakistan.	718,900	548,587
UNEP	PAN/PHA/44/TAS/23	National phase-out plan for Annex A (Group I) substances (first tranche) in Panama.	25,000	0
World Bank	TUR/FUM/31/INV/69	Phase-out of methyl bromide in the dried fig sector in Turkey.	479,040	477,059

Projects with pending reports at the 49th Meeting

8. Table 3 presents a list of projects that are pending a report to the Executive Committee Meeting.

Table 3**DELAYED PROJECTS PENDING REPORTS AT THE 49TH MEETING**

Agency	Code	Project Title
UNIDO	CPR/FOA/35/INV/379	Phase out of CFC-12 in the manufacturing of extruded polystyrene foams through the use of butane as a blowing agent at 7 enterprises (terminal umbrella project)
UNEP	GLO/ARS/39/TAS/246	Development of guidelines to promote safety in aerosol conversions

Section II: Delayed projects in countries with related compliance issues

9. Part II of the Status of Compliance document (UNEP/OzL.Pro/ExCom/49/6) contains information on countries either at risk of non-compliance based on country programme data or for which decisions have been taken by the Meeting of the Parties or recommendations made by the 35th Meeting of the Implementation Committee. Section II considers the status of all projects with related compliance issues that are monitored as projects with implementation delays.

10. Table 4 below presents information on projects with implementation delays for countries with compliance issues and the latest information submitted to the 49th Meeting.

Table 4**PROJECTS WITH IMPLEMENTATION DELAYS FOR COUNTRIES WITH RELATED COMPLIANCE ISSUES**

Country	Compliance Issue	Code	Agency	Project Title	Progress Report to the 49 th Meeting
Bosnia and Herzegovina	2005 data not yet reported on achieving Action Plan maximum consumption of 102.1 ODP tonnes of CFCs.	BHE/FOA/39/INV/15	UNIDO	Phase-out of CFC-11 by conversion to n-pentane in the manufacture of rigid foam products for insulating purposes at Stirokart Co.	Project site preparatory work has been completed. Final installation of equipment is planned for end May 2006.
Kenya	Report due on establishment of licensing system.	KEN/SEV/37/TAS/29	UNEP	Policy and technical assistance.	Project completed. All activities implemented. Country conducted stakeholder workshop to review draft and consultative meeting to finalize the draft. Final ODS regulations submitted to Attorney General and confirmed for "gazettement" by July 2006. Expenditure reports submitted and final disbursement to be processed.
Libya	2005 data not yet reported on achieving Action Plan maximum consumption of 303 ODP tonnes of CFCs.	LIB/FOA/32/INV/08	UNDP	Phase-out of CFC-11 by conversion to methylene chloride in the manufacture of flexible polyurethane foam at Ben Ghazi Unit.	Equipment installation was delayed due to management changes, but was completed in early May 2006. A completion verification mission will take place in June/July with project completion expected end June/early July 2006.
Somalia	Report due on establishment of licensing system .	SOM/SEV/35/TAS/01	UNEP	Formulation of national phase-out strategy.	UNEP prepared the CP that will be submitted to the 49 th Meeting of the Executive Committee. UNDP withdrew from the preparation of the strategy citing political instability and poor security.

11. Based on agency reports, all of these projects have experienced some progress since the 48th Meeting of the Executive Committee and none of the projects are recommended for cancellation.

Section III: Project proposed for possible cancellation at the 49th Meeting and the impact of the cancelled project on compliance

12. UNIDO has requested, and the Government of India has agreed, that the methyl bromide project preparation in India (IND/FUM/39/PRP/360) should be cancelled since there is no remaining use of methyl bromide in India. Therefore, this cancellation has no impact on compliance.

RECOMMENDATIONS

13. The Executive Committee may wish to consider:

- (a) Noting with appreciation the reports on projects with implementation delays submitted to the Secretariat by France, Italy, Sweden and the four implementing agencies as contained in the document on project implementation delays (UNEP/OzL.Pro/ExCom/49/16);
- (b) Noting 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) Noting the completion of three out of the 38 projects listed with implementation delays;
- (d) Noting that letters of possible cancellation should be sent for the following projects:

Agency	Code	Project Title
UNDP	CUB/ARS/34/INV/18	Phase-out of CFC-12 in the manufacture of insecticides and technical aerosols by conversion to hydrocarbon propellant at CIDT aerosol plant in Cuba.
World Bank	JOR/HAL/32/INV/69	Terminal halon-1211 and halon-1301 phase-out umbrella project for fire equipment manufacturers and suppliers in Jordan converting to ABC powder, CO ₂ , HFC-227ea and inert gases as substitutes.
World Bank	PAK/FOA/23/INV/20	Umbrella project: Conversion to CFC-free technology in the manufacture of rigid polyurethane foam (thermoware) in Pakistan.
World Bank	PAK/FOA/25/INV/25	Terminal umbrella: Conversion to HCFC-141b and water blown technology in the manufacture of rigid polyurethane foam (thermoware) in Pakistan.
UNEP	PAN/PHA/44/TAS/23	National phase-out plan for Annex A (Group I) substances (first tranche) in Panama.
World Bank	TUR/FUM/31/INV/69	Phase-out of methyl bromide in the dried fig sector in Turkey.

- (e) Noting the cancellation of the methyl bromide project preparation in India (IND/FUM/39/PRP/360) by mutual agreement between UNIDO and India and requesting the return, at the 50th Meeting of the Executive Committee, of the balance of remaining funds.
