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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

ANNUAL TRANCHE SUBMISSION 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 the decision taken at the 47th Meeting requesting a separate sub-agenda item at future meetings on delays in the submission of annual tranches and disbursement of funds for tranches and obligations (decision 47/50, para. d). The request for a sub-agenda item emanates from a history of late submissions of annual tranches, that result in delays in transferring funds and also delays in fulfilling obligations to fund the activities required by the annual tranches. This agenda item is intended to enable the Executive Committee to encourage countries and relevant agencies to increase their efforts to submit annual tranches as soon as possible and to address difficulties in meeting deadlines with respect to the submission of annual tranches.

2. At its 48th Meeting, the Executive Committee considered several proposals for revised due dates for the submission of annual tranches. It agreed to change the due dates for annual tranches for seven multi-year agreements. An additional five potential changes to due dates were deferred to the 49th Meeting, pending receipt of letters from countries agreeing to those changes (decision 48/15, para. c).

3. This document addresses delays in the submission of tranches that were due at the 49th Meeting together with the five outstanding requests for changes held over from the 48th Meeting, and presents recommendations for consideration by the Executive Committee.

Annual Tranche Delays (tranches due for submission to the 49th Meeting)

4. Seventeen annual tranches were due for submission to the 49th Meeting. Of these, four tranches have not been submitted. These are broken down as follows: UNIDO (2), the World Bank (1), and Germany (1).

5. The annual tranches for Libya CFC (UNIDO) and Macedonia CFC (UNIDO) have not been submitted to the 49th Meeting because there was insufficient time to prepare a verification report. In both cases, the agency indicated that it was impossible to obtain updated information in time for this Meeting.

6. The annual tranche for the CFC phase-out in Argentina has not been submitted by the World Bank because the Bank was first awaiting clearance of the request for the annual tranche from the Government of Argentina.

7. In decision 48/15(b) the Executive Committee agreed to change the due date for the methyl bromide multi-year agreement in Kenya to the 2nd meeting of the year (i.e., the 49th Meeting). However, Germany has indicated that the tranche will not be submitted until the 50th Meeting, together with the corresponding UNDP project.

Requests for Changing Due Dates for Annual Tranches of Multi-year Agreements

8. As was the case prior to the 48th Meeting, implementing agencies and the relevant countries were asked to propose to the Executive Committee revised due dates for annual tranches. In seeking agreement to the proposed changes from the Executive Committee reasons

are required, and have been provided. In most cases, the request for a change in the due date is related to the need for more time to compile the information necessary to complete a verification report on a country's prior year's consumption. Proposed changes and data on existing due dates for all outstanding annual tranches of approved multi-year agreements are specified in Table 1.

Table 1

REQUESTS FOR CHANGES TO DUE DATES FOR MULTI-YEAR AGREEMENTS

Country	Agency	Project Title	Tranches	Proposed Change	Reason for Change	49th Meeting Submission
Bangladesh	UNDP	National ODS phase-out plan	2007 due in 2007	Second Meeting	To accommodate time required to complete performance verification of the previous year.	Request for the release of all tranches at the 52nd Meeting.
Bangladesh	UNEP	National ODS phase-out plan	2007 due in 2007	Second Meeting	To accommodate time required to complete performance verification of the previous year.	Request for the release of all tranches at the 52nd Meeting.
Lebanon	UNDP	National phase-out management plan for Annex A – Group I substances (CFCs)	2007 due in 2007	Second Meeting	To accommodate time required to complete performance verification of the previous year.	Letter received.
Mauritius	Germany	Implementation of an ODS terminal phase-out management plan	2005	Third Meeting	Lack of necessary funds for next tranche.	Germany indicated that the words in the letter from the Government, "later in 2006", meant the third meeting of the year.
Lesotho	Germany	Terminal CFC phase-out management plan	2005	Third Meeting	Lack of necessary funds for next tranche.	Germany indicated that the words in the letter from the Government, "later in 2006", meant the third meeting of the year.

9. The Executive Committee may wish to approve the above-mentioned changes.

RECOMMENDATIONS

10. The Executive Committee may wish to consider:

- (a) Noting the information on annual tranches of multi-year agreements submitted to the Secretariat by Germany, UNDP, UNIDO, and the World Bank as contained in the document on annual tranche submission delays (UNEP/OzL.Pro/ExCom/49/17);
- (b) Agreeing to the changes in due dates for specific annual tranches as indicated in Table 1 of document UNEP/OzL.Pro/ExCom/49/17);

- (c) Noting that 13 of the 17 annual tranches of multi-year agreements that were due for submission were submitted on time to the 49th Meeting;
- (d) Noting that letters should be sent for the following annual tranches that were due for submission to the 49th Meeting with the reasons indicated for the delay, and encouraging implementing agencies and the relevant Article 5 governments to submit these annual tranches to the 50th Meeting:

Country	Agency	Project Title	Annual Tranche	Reason for Delay
Argentina	World Bank	CFC production closure plan	2006	Awaiting clearance by the Government.
Kenya	Germany	Technology transfer leading to methyl bromide phase-out in soil fumigation in all other horticulture	2006	Need to submit along with the companion UNDP project.
Libya	UNIDO	National phase-out plan	2006	Pending verification report.
Macedonia	UNIDO	Terminal phase-out management plan for CFCs	2006	Pending verification report.
