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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

**BILATERAL COOPERATION**

The Fund Secretariat received the following requests for bilateral cooperation:

<b>PROJECT TITLE</b>	<b>BILATERAL AGENCY</b>
Technical assistance to phase out the use of methyl bromide in Trinidad and Tobago	Canada
CTC phase-out for the consumption and production sectors in India (French component): 2006 annual programme	France
Project preparation for a terminal phase-out management plan for CFCs in Lao People's Democratic Republic	France
Project preparation for a terminal phase-out management plan in the Seychelles	France
CTC phase-out for the consumption and production sectors in India (German component): 2006 annual programme	Germany

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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## **Note on the Organization of the Document**

1. This document provides an assessment of whether bilateral agencies' requests are eligible in light of the maximum level of bilateral cooperation available for the year 2006. It also indicates the cross-references to other meeting documents where a discussion on the bilateral request can be found. Cross-referenced documents are addressed in other agenda items.

2. Three requests for funding are addressed in this document, two of which are recommended for blanket approval:

- Technical assistance to phase out the use of methyl bromide in Trinidad and Tobago (Canada)
- Project preparation for a terminal phase-out management plan for CFCs in Lao People's Democratic Republic (France)

3. The request for TPMP project preparation in the Seychelles submitted by France is pending the receipt of a letter from Seychelles confirming the choice of France as the implementing agency.

4. All bilateral requests except those from Germany are within the 20 per cent allocation of contributions for bilateral agencies in 2006. Germany has already received approval for annual tranches of multi-year agreements that have fully utilized its 2006 allocation and some of its 2007 allocation. At its 48<sup>th</sup> Meeting, the Executive Committee decided to inform the Meeting of the Parties that, with the approvals at the 48<sup>th</sup> Meeting, Germany had exceeded 20 per cent of its contribution for 2006 (decision 48/19 (b)).

## Introduction

5. A total of five requests amounting to US \$1,032,900 (including multi-year agreements) for bilateral cooperation were received by the Secretariat for approval at the 49<sup>th</sup> Meeting. This document presents, by bilateral agency, those projects that are before the Executive Committee for its consideration.
6. Table 1 provides a summary of the value and number of requests by bilateral agency.

Table 1

**VALUE AND NUMBER OF PROJECTS FOR BILATERAL COOPERATION, BY  
BILATERAL AGENCY (Including Agency Fees)**

<b>Bilateral Agency</b>	<b>Total Amount Requested (US \$)</b>	<b>Number of Projects</b>
Canada	33,900	1
France	641,500	3
Germany	357,500	1
TOTAL	1,032,900	5

## REQUEST FROM THE GOVERNMENT OF CANADA

### Introduction

7. Table 2 presents a summary of Canada's request for bilateral co-operation. The value of this request, plus the US \$33,900 approved at the 48<sup>th</sup> Meeting, does not exceed 20 percent of Canada's contribution for 2006 (US \$940,073).

Table 2

### SUBMISSION FROM THE GOVERNMENT OF CANADA AND RECOMMENDATION

Project Title	Country	Total Amount Requested (US\$)	Amount Recommended (US\$)
Technical assistance to phase out the use of methyl bromide	Trinidad and Tobago	30,000	30,000
Agency Fee		3,900	3,900
TOTAL		33,900	33,900

### **TRINIDAD AND TOBAGO: Preparation of a methyl bromide phase-out project (US \$30,000)**

#### Project description

8. On behalf of the Government of Trinidad and Tobago, the Government of Canada has submitted for consideration by the Executive Committee at its 49<sup>th</sup> Meeting, a technical assistance programme to phase out the use of methyl bromide (MB) in Trinidad and Tobago, at a total cost of US \$30,000 plus agency support costs of US \$3,900. The MB baseline for consumption is 1.7 ODP tonnes.

9. Trinidad and Tobago has used small amounts of MB for soil and structures fumigation. Through a voluntary initiative with importers, the Government has facilitated gradual reductions in MB consumption. In 2005, MB consumption was only 0.1 ODP tonnes. However, the remaining MB consumption is for certain structural fumigations for which the applicability of available alternatives is currently uncertain. Furthermore, there is no guarantee regarding the long-term sustainability of the MB phase-out so far achieved.

10. The main activities to be implemented under this technical assistance programme are the following: a review of the existing legislation supporting MB control and use; strengthening of relevant laws and regulations; enhanced monitoring and surveillance; training for major stakeholders on the use of potential alternative technologies and the application of integrated pest management practices; and education and awareness. The project implementation time is 1.5 years.

**Secretariat's comments**

11. The original submission by the Government of Canada was a request for the preparation of a project proposal for the phase-out of MB in Trinidad and Tobago. In this regard, the Secretariat drew the attention of the Government of Canada to decision 39/38 through which the Executive Committee decided “to request implementing agencies and bilateral agencies in future to submit technical assistance programmes for the complete phase-out of MB in countries with very low MB consumption rather than requests for preparation of an investment project”.

12. The Secretariat also pointed out that, while the MB baseline for compliance for Trinidad and Tobago is 1.7 ODP tonnes, the amounts of MB consumption reported by the Government since 2002 under Article 7 have been very small and have been decreasing on a yearly basis (from 0.71 ODP tonnes in 2002 to 0.09 ODP tonnes in 2005).

13. Based on the above observations, the Secretariat suggested that, rather than requesting funding for project preparation, the Government of Canada may wish to submit a request for a technical assistance programme for the complete phase-out of MB in Trinidad and Tobago at a total cost of US \$30,000. Subsequently, a revised request was submitted by the Government of Canada.

**Secretariat's recommendation**

14. The Fund Secretariat recommends blanket approval of the technical assistance programme to phase out the use of MB in Trinidad and Tobago at the level of funding shown in Table 2 above.

## REQUESTS FROM THE GOVERNMENT OF FRANCE

### Introduction

15. Table 3 presents a summary of France's requests for bilateral co-operation. The value of these requests does not exceed 20 percent of France's contribution for 2006 (US \$2,015,159).

Table 3

### SUBMISSION FROM THE GOVERNMENT OF FRANCE AND RECOMMENDATION

Project Title	Country	Total Amount Requested (US\$)	Amount Recommended (US\$)
CTC phase-out for the consumption and production sectors (French component): 2006 annual programme	India	500,000	(1)
Project preparation for a terminal phase-out management plan for CFCs	Lao People's Democratic Republic	30,000	30,000
Project preparation for a terminal phase-out management plan	Seychelles	20,000	Pending
Agency Fee		91,500	3,900
TOTAL		641,500	TBD

(1) Under UNEP/OzL.Pro/ExCom/49/29

**INDIA: CTC phase-out for the consumption and production sectors (French component): 2006 annual programme (US \$500,000)**

16. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/49/29.

**LAO PEOPLE'S DEMOCRATIC REPUBLIC: Project preparation for a terminal phase-out management plan for CFCs (US \$30,000)**

### Project description

17. On behalf of the Government of Lao People's Democratic Republic (Lao P.D.R.), the Government of France has submitted for consideration by the Executive Committee at its 49<sup>th</sup> Meeting a request for funding for the preparation of a terminal phase-out management plan (TPMP) for Lao PDR. The request has been submitted in accordance with decision 45/54 (on TPMPs for LVC countries).

### Secretariat's comments

18. In reviewing the request for the preparation of the TPMP for Lao P.D.R., the Secretariat noted the results achieved so far by the Government of Lao P.D.R.; in that a licensing system is

already in place and the 2004 CFC consumption is slightly above the 2005 allowable level of consumption, despite the delays in commencing implementation of the project.

19. The original submission by the Government of France consisted of a request for funding for the preparation of the country programme update and a TPMP for Lao P.D.R., at a total cost of US \$31,600. In this regard, the Secretariat was of the opinion that a country programme update for Lao P.D.R. may not be needed, taking into consideration the activities involved in the preparation of TPMPs in light of decision 45/54. Subsequently, the Government of France agreed to reformulate the project proposal to prepare only the TPMP project for Lao D.P.R. The cost of the project was adjusted to US \$30,000 (as per decision 45/54).

### **Secretariat's recommendation**

20. The Fund Secretariat recommends blanket approval of the activities at the level of funding shown in Table 3 above.

### **SEYCHELLES: Project preparation for a terminal phase-out management plan (US \$20,000)**

#### **Project description**

21. On behalf of the Government of Seychelles, the Government of Germany submitted for consideration by the Executive Committee at its 48<sup>th</sup> Meeting a request for funding for the preparation of a terminal phase-out management plan (TPMP) for Seychelles. The request was submitted in accordance with decision 45/54 (on TPMP for LVC countries).

22. The total funding sought by the Government of Germany for submissions to the 48<sup>th</sup> Meeting exceeded 20 per cent of Germany's contributions for the year 2006, and therefore the project was submitted for individual consideration. Subsequently, the Executive Committee decided:

- (i) "To defer consideration of the proposal until the 49<sup>th</sup> Meeting of the Executive Committee;
- (ii) To request Germany to discuss the future of the project with the Government of the Seychelles; and
- (iii) To request Germany to obtain a letter from the Government of the Seychelles indicating whether it desired to continue working with Germany as a bilateral agency, and if so, stating its understanding that Germany might not have the necessary funds available to implement the project within the 2006-2008 triennium" (decision 48/19 (c)).

23. In agreement with the Government of Germany, the Government of France has submitted for consideration by the Executive Committee at its 49<sup>th</sup> Meeting the request for funding for the preparation of a terminal phase-out management plan (TPMP) for Seychelles.

**Secretariat's comments**

24. In reviewing the request for preparation of the TPMP for Seychelles, the Secretariat noted that CFC consumption has decreased from a calculated baseline of 2.80 ODP tonnes to 0.04 ODP tonnes in 2004, which is below the 2007 allowable consumption level of 0.42 ODP tonnes. The Secretariat also noted that legislation for controlling imports of CFCs and CFC-based equipment is already in place and being enforced through the Environment Protection Regulations 2000 and the Trades Tax Notice 2000.

25. At the time of preparing this document, the letter from the Government of Seychelles requested by the Executive Committee through its decision 48/19 had not been received.

**Secretariat's recommendation**

26. Pending.



## REQUESTS FROM THE GOVERNMENT OF GERMANY

### Introduction

27. Table 4 presents a summary of Germany's request for bilateral co-operation. Germany has submitted one project amounting to US \$357,500 (including agency fees) to this Meeting for the Executive Committee's approval. As mentioned above, Germany has already fully utilized its 20 per cent bilateral allocation for 2006 (US \$2,894,744). US \$946,611 has been assigned for bilateral cooperation for 2007. The requested amount (US \$357,500) plus the amount already assigned to 2007 (US \$946,611) does not exceed Germany's 20 per cent allocation for 2007.

Table 4

### SUBMISSION FROM THE GOVERNMENT OF GERMANY AND RECOMMENDATION

Project Title	Country	Total Amount Requested (US\$)	Amount Recommended (US\$)
CTC phase-out for the consumption and production sectors (German component): 2006 annual programme)	India	300,000	(1)
Agency Fee		57,500	
TOTAL		357,500	

(1) Under UNEP/OzL.Pro/ExCom/49/29

28. As noted in the Bilateral Cooperation document (UNEP/OzL.Pro/ExCom/48/20) submitted to the 48<sup>th</sup> Meeting, the commitments to annual tranches represent funding already agreed by the Executive Committee to be provided to the relevant country. In this respect, the Committee has already agreed to enable the bilateral programme of Germany to fulfil the requirements of the agreements, bearing in mind that these agreements were undertaken in advance of the determination of the level of the 2006 to 2008 replenishment of the Fund. As a result of its consideration of this matter, the Executive Committee approved the annual tranche requests submitted to the 48<sup>th</sup> Meeting that required utilization of part of Germany's 2007 bilateral allocation, and decided to inform the Meeting of the Parties of its decision to draw upon more than 20 per cent of Germany's annual contribution to the Multilateral Fund for 2006 (decision 48/19).

### Secretariat's recommendation

29. The Executive Committee may wish to continue to inform the Meeting of the Parties in cases where bilateral cooperation exceeds 20% of the current year's contribution of the current replenishment, in particular where they relate to commitments for existing multi-year agreements.

**INDIA: CTC phase-out for the consumption and production sectors (German component): 2006 annual programme (US \$300,000)**

30. The comments and recommendations of the Fund Secretariat are found in UNEP/OzL.Pro/ExCom/49/29.