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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fiftieth Meeting
New Delhi, 6-10 November 2006

AMENDMENTS TO WORK PROGRAMME FOR 2006 OF UNDP

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

1. UNDP is requesting approval from the Executive Committee for US \$1,404,424 as amendments to its 2006 Work Programme, plus agency support costs of US \$106,592
2. The activities proposed in UNDP's Work Programme Amendments are presented in Table 1 below:

Table 1: The UNDP Work Programme Amendments

Country	Activity/Project	Amount Requested US \$	Amount Recommended US \$
SECTION A: ACTIVITIES RECOMMENDED FOR BLANKET APPROVAL			
A1. Renewal of institutional strengthening projects:			
	ODP tonnes		
China	Extension of institutional strengthening project: phase VII	32.2	390,000
Ghana	Extension of institutional strengthening project: phase VII	-	139,100
Lebanon	Extension of institutional strengthening: Phase V	12.8	155,090
Sri Lanka	Extension of institutional strengthening: Phase VI	11.1	134,056
Trinidad and Tobago	Extension of Institutional strengthening: Phase V	-	60,000
Subtotal: for institutional strengthening renewal		878,246	878,246
A2. Project Preparation			
Belize	PRP for TPMP in the Servicing Sector		15,000
Guatemala	PRP for TPMP in the Servicing Sector		15,000
Maldives	PRP for TPMP in the Servicing Sector		15,000
Nepal	PRP for TPMP in the Servicing Sector		15,000
Peru	PRP for TPMP in the Servicing Sector		15,000
Suriname	PRP for TPMP in the Servicing Sector		15,000
Tanzania	PRP for TPMP in the Servicing Sector		12,000
Subtotal for project preparation:		102,000	102,000
A3. Technical Assistance projects			
Dominican Republic	Additional technical assistance for Halons		24,000
Zimbabwe	Technical assistance for solvents		60,000
Subtotal for institutional strengthening projects:		84,000	84,000
SECTION B: ACTIVITIES RECOMMENDED FOR INDIVIDUAL CONSIDERATION			
B1. Renewal of institutional strengthening projects:			
	ODP tonnes		
Iran, Islamic Republic of	Renewal of institutional strengthening project: phase VI		86,755
Kenya	Renewal of institutional strengthening project: phase VI		75,833
Subtotal for renewal of institutional strengthening		325,178	162,588
B2. Project preparation			
Bhutan	PRP for TPMP in the Servicing Sector		[1]
Agency support costs (7.5 per cent for project preparation and institutional strengthening, and for other activities over US \$250,000, and 9 per cent for other activities under US \$250,000):		106,592	93,273
Total:		1,511,016	1,320,107

[1] Considered under document UNDP/OzL.Pro/ExCom/50/18

SECTION A: ACTIVITIES RECOMMENDED FOR BLANKET APPROVAL

A1: Renewal of institutional strengthening projects

China: IS renewal Phase VII

Ghana: IS renewal Phase VII

Lebanon: IS renewal Phase V

Sri Lanka: IS renewal Phase VI

Trinidad and Tobago: IS renewal Phase V

Project description

3. The description of the institutional strengthening projects for the above countries is presented in Annex I to this document.

Fund Secretariat's comments and recommendation

4. The Fund Secretariat recommends blanket approval of the above projects at the level of funding shown in Table 1. The Executive Committee may wish to express to the Governments of the above countries the comments which appear in Annex II to this document.

A2: Project preparation

Belize: Project preparation funds for a terminal phase-out management plan

Guatemala: Project preparation funds for a terminal phase out plan

Maldives: Project preparation funds for a terminal phase out plan

Nepal: Project preparation funds for a terminal phase-out management plan

Peru: Project preparation funds for a terminal phase-out management plan

Suriname: Project preparation funds for a terminal phase-out management plan

Tanzania: Project preparation funds for a terminal phase-out management plan

Project descriptions

5. On behalf of the Governments of Belize, Guatemala, the Maldives, Nepal, Peru, Suriname and Tanzania, UNDP has submitted for consideration by the Executive Committee funding for the preparation of terminal phase-out management plans (TPMPs) for these countries. The requests have been submitted in accordance with decision 45/54 (on TPMP for LVC countries). Project preparation activities in these countries will be carried out jointly with UNEP.

Fund Secretariat's comments

6. In the review of the requests for the preparation of the TPMP for Belize, Guatemala, the Maldives, Nepal, Peru, Suriname and Tanzania, the Secretariat noted that all countries except for Guatemala, have already reported their ODS consumption for 2005 under Article 7 to the Montreal Protocol. The Secretariat also noted that the present level of consumption in these

countries was below their respective baselines and control measures for 2005 set by the Montreal Protocol except for Tanzania (CTC) and Guatemala (MB) as indicated in the table below:

Country	Consumption ODP tonnes			
	ODS name	Baseline	2004 A7	2005 A7
Belize	CFC	24.38	12.23	9.60
Guatemala	CFC	224.65	64.40	-
Guatemala	CTC	10.60	0	-
Guatemala	Halons	0.20	0	-
Guatemala	MB	400.70	484.20	-
Maldives	CFC	4.57	0.00	0.00
Nepal	CFC	27.00	0.00	0.00
Nepal	CTC	0.89	0.88	0.11
Nepal	Halons	2.00	0.00	0.00
Peru	CFC	289.53	145.66	127.67
Peru	CTC	0.97	0.00	0.00
Peru	MB	1.28	0.00	0.00
Suriname	CFC	41.31	9.22	7.48
Tanzania	CFC	253.86	98.82	98.896
Tanzania	CTC	0.12	0.00	4.79
Tanzania	Halons	0.33	0.00	0.00

Fund Secretariat's recommendation

7. The Fund Secretariat recommends blanket approval of the activities at the level of funding shown in Table 1.

A3: Technical assistance projects

- (a) Dominican Republic: Additional technical assistance for halons

Project Description

8. UNDP has submitted, on behalf of the Government of the Dominican Republic, an update of the national halon bank management plan approved at the 38th Meeting. This project would procure additional equipment for the halon bank and recycling centres, provide supplementary operational resources and monitoring until the year 2010. This project will support the Dominican Republic in meeting its obligations under the Montreal Protocol.

9. UNDP submitted a request for US \$24,000 plus support costs of US \$2,160 that includes:
- (a) Complementary equipment for HBRC (US \$20,000) including 5-tonne capacity tanks for halon 1211 and 10-tonne capacity tanks for halon 1301, a halon tank adapter fitting package, spares for halon a recovery unit, a bench scale, and halon identifier equipment; and
 - (b) Cover for operating expenses and monitoring (US \$4,000) to provide technical support, halon banking services and to continue providing halon trade services, to refine the regulatory system, raise awareness, and provide a physical repository for unwanted halons “until a final solution for destruction of unwanted ODS is devised within the Montreal Protocol regime”.

10. This project is intended to enable the sustainability of the original project up to the year 2010 with US \$1,000 in operating expenses on an annual basis for four years. The office space and operation personnel will be provided by the Fire Department who will also store the recovered halons. This project will enable the maintenance of the equipment, monitoring and its related reports and publications. The cost of meetings with stakeholders and the creation of a database will be covered by the National Ozone Unit. The halon user will pay for the transportation of the halons.

11. The installed capacity is estimated at 30.6 ODP tonnes of halon based on the last 10 years of imports. The Dominican Republic’s latest halon consumption as reported pursuant to Article 7 was 0.00 in 2005. Zero consumption has been reported by the country for the last four years. The Dominican Republic has an Article 7 baseline for halons of 4.23 ODP tonnes. The Dominican Republic does not produce halons and fully depends on the import from other countries.

Fund Secretariat’s comments

12. Although the original project approved at the 38th Meeting had a balance of about US \$18,000 as of 31 December 2006, UNDP indicated that implementation had accelerated during the first six months and the full balance of the first project was used for the purchase of the equipment for the project that has been subsequently delivered. Despite the fact that decision 44/8(b) suggests that import controls/bans should include provisions for the allowance of recycled and or reclaimed halons to be imported, the decree approved by the Government regulates the import of recycled and reclaimed halons as well as virgin halon.

13. Decision 44/8 also requires that countries participating in regional halon banking projects with recovery and recycling should develop during project preparation a clear understanding and agreement about the use of the recovery and recycling equipment funded, including information about processing fees and transport and storage costs relevant to the sustainability of the halon bank and the need to trade in recovered and recycled halons in the region. UNDP indicated that the Dominican Republic has established the legal framework to facilitate the use of the national halon bank as well as regional ones by the local halon users, but so far there are no plans by any of the national users to use the regional facilities. The national policy also allows for regional users to use the facilities in Dominican Republic.

14. According to UNDP, the processing fees, transport and storage costs for possible regional users of the HBRC will be treated exactly the same as for national users. Users will be allowed to establish an exchange price by mutual agreement. UNDP also indicated that any deficit arising from a specific regional operation will be the responsibility of the parties involved, since the bank is providing a service basically free of charge, as per a condition of it being a non profit organization. Concerning the statement in the proposal that a physical repository for unwanted halon would be established, UNDP indicated that the ownership of the halon (contaminated as well as recycled) will remain with the original user since the bank will only provide a service, which is free of charge until 2010.

15. The proposal states that the halon bank would function until 2010 “with its own resources”. It then states that an objective for the project would be “to devise the mechanisms for the sustainability of the project beyond 2007”. A fee will cover operation expenses, in addition to the co-financing that would continue to be provided by the NOU and the Fire Department. The co-financing by the NOU and the Fire Department has not been estimated in terms of US dollars. After 2010, the Fire Department will continue to provide the co-financing that as at present, and so will the Secretariat of State of the Environment and Natural Resources.

16. UNDP indicated that the Government of Dominican Republic has agreed that no further funding would be requested for the halon sector after the approval of this project.

Fund Secretariat’s Recommendations

17. The project is recommended for blanket approval at the level of funding, including agency support costs of 9 per cent, as per Table 1 above, following decision 44/48 “to allow the submission of halon banking update projects for countries which had received less than US \$50,000 for halon banking”, with the understanding that no funds will be disbursed until UNDP has completed a plan to ensure the sustainability of the project after 2010.

(b) Zimbabwe: Technical Assistance on solvents

Project Description

18. On behalf of the Government of Zimbabwe, UNDP has requested funding of US \$60,000 plus support costs to provide technical assistance to complete the phase-out of CFC-113, CTC and TCA in the solvent sector in Zimbabwe. The ODS users in Zimbabwe are primarily engaged in hand-cleaning applications using solvent blends that contain CFC-113, CTC and/or TCA and do not require the use of cleaning machines. It is expected that replacement technologies will also not require the use of cleaning machines. Small quantities of ODS are also used in laboratory and analytical applications. The technical assistance will take the form of an upgrade of the data collection system used by the customs office and the NOU, and seminars for customs officers, importers and distributors on reformulation of blended solvent cleaning mixtures and formulations used for analytical purposes.

Fund Secretariat's Comments:

19. Zimbabwe's 2005 Article 7 consumption data for CTC and TCA (3.487 ODP tonnes and 0.037 ODP tonnes respectively) appear to place it out of compliance with the relevant Protocol control measures. Following discussions with UNDP, the proposal was amended to clarify the role of the project in an action plan to return to compliance that has been prepared by Zimbabwe for submission to the Implementation Committee at its forthcoming meeting.

Fund Secretariat's Recommendation

20. The project is recommended for blanket approval at the level of funding indicated in Table 1 above.

SECTION B: ACTIVITIES RECOMMENDED FOR INDIVIDUAL CONSIDERATION**B1: Renewal of institutional strengthening projects**

(a) Iran (Phase VI): US\$ 86,755

Background information

21. The second year of Phase V of Iran's institutional strengthening project was approved at the 47th Meeting. The first year for Phase V had been approved at the 44th Meeting for one year only, without prejudice to the operation of the Protocol's non-compliance mechanism. Iran is submitting at this meeting a request for the renewal of its IS project for Phase VI for two years.

22. In the context of the progress report for 2005 on the implementation of its country programme, Iran reported to the Fund Secretariat a consumption of 13.6 ODP tonnes of CTC. It reported the same amount to the Ozone Secretariat as part of the requirements under Article 7 of the Montreal Protocol. This amount exceeds the CTC consumption that Iran is allowed under the Montreal Protocol in 2005 of 11.55 ODP tonnes, so placing the country in potential non-compliance. Iran was informed of this deviation by the Ozone Secretariat in a communication dated 2 August 2006. The same communication brings the attention of Iran to the fact that the country has not yet submitted an action plan as requested by the Implementation Committee following decision XVI/20.

23. The 36th Implementation Committee noted Iran's request to withdraw its intention to revise the baseline data for CTC. The Implementation Committee also urged Iran to submit, as soon as possible, the action plan required under decision XVI/20.

Fund Secretariat's comments

24. Iran reported data to the Fund Secretariat and the Ozone Secretariat on CTC consumption for 2005 that exceeded the level allowed under the Montreal Protocol, placing the country in potential non-compliance. UNDP reported that a solvent sector phase-out project is being submitted to the 50th Meeting of the Executive Committee with the goal of completely phasing out the use of both CTC and TCA in 2007.

25. In the action plan submitted as part of the IS renewal request, the country indicated that activities leading to the phase-out of CTC and TCA will be a priority for this period.

Fund Secretariat's recommendations

26. In light of the information provided in the Secretariat's comments above, the Executive Committee may wish to consider approving the funding for the first year of the institutional strengthening project for Iran at the level of funding of US \$86,756 without prejudice to the operation of the Montreal Protocol's mechanism on non-compliance.

(b) Kenya (Phase VI): US\$75,833

Background information

27. UNDP has submitted a request for the renewal of Kenya's IS project. Phase V of Kenya's IS was approved at the 44th Meeting of the Executive Committee for two years ending in December 2006.

28. Kenya reported its 2005 consumption of CFC as 162.2 ODP tonnes to the Ozone Secretariat, and reported the same consumption level to the Fund Secretariat as part of its country programme implementation. Kenya's CFC baseline is 239.5 ODP tonnes, therefore this figure places the country in potential non compliance with the 50 per cent reduction in CFCs under the Montreal Protocol. The Ozone Secretariat informed Kenya of this potential non-compliance.

29. At its 44th Meeting, the Executive Committee approved the TPMP for Kenya on the condition that, *inter alia* "the disbursement of the first tranche would be contingent upon confirmation of the adoption of ODS regulations by the Government of Kenya to provide a legal basis for the existing licensing system and enable introduction of independent auditing and verification" (decision 44/50 (d)).

Fund Secretariat's comments

30. Kenya's current consumption level places the country in potential non compliance with the 50 per cent reduction under the Montreal Protocol. In its submission requesting IS renewal, UNDP provided the Secretariat with copies of the communication between Kenya and the Ozone Secretariat regarding this issue of potential non-compliance. Kenya states that one reason for this current status of potential non-compliance is that the TPMP has been unable to start because of funds being suspended due to the country's failure to have its ODS legislation adopted.

31. The Secretariat expressed concerns on the delay of the adoption of the legislation, and requested clarification from UNDP on the status, and on specific activities that could be included in the IS action plan to meet this challenge of non-compliance. UNDP informed the Secretariat that the ODS regulations have now been signed by the Minister of the Environment and Natural Resources and are only awaiting publication in the official gazette for it to be in force. The Secretariat was also informed that the action plan for the IS was revised to reflect priority on activities that will enable the country to come back to compliance.

Fund Secretariat's recommendations:

32. In light of the information provided in the Secretariat's comments above, the Executive Committee may wish to consider releasing the funding for the first year of the institutional strengthening project for Kenya at the level of funding of US \$75,833 without prejudice to the operation of the Montreal Protocol's mechanism on non-compliance.

B2: Project Preparation

- (a) Bhutan: Project preparation funds for a terminal phase-out management plan [considered under document UNEP/OzL.Pro/ExCom/50/18]

Annex I

INSTITUTIONAL STRENGTHENING PROJECT PROPOSAL

China: Renewal of institutional strengthening

Summary of the Project and Country Profile		
Implementing Agency:		UNDP
Amounts previously approved for institutional strengthening:		
Phase I: February 1992		450,000
Phase II: October 1996		300,000
Phase III: November 1998		300,000
Phase IV: December 2000		300,000
Phase V: November 2002		390,000
Phase VI: December 2004		390,000
Total		2,130,000
Amount requested for renewal (Phase VII) (US \$):		390,000
Amount recommended for approval of Phase VII (US \$)		390,000
Agency support costs (US \$)		29,250
Total cost of institutional strengthening Phase VII to the Multilateral Fund		419,250
Equivalent amount of CFC phase-out due to institutional strengthening Phase VII at US \$12.1/kg (ODP tonnes)		32.2
Date of approval of country programme		March 1993
Latest reported total ODS consumption (2005) (ODP tonnes)		30,826.68
Latest reported total ODS production (2005) (ODP tonnes)		43,946.51
Baseline production and consumption of controlled substances (ODP tonnes):	Production	Consumption
(a) Annex A Group I (CFCs) (Average 1995-1997)	47,003.9	57,818.7
(b) Annex A Group II (Halons) (Average 1995-1997)	40,993.0	34,186.7
(c) Annex B Group I (Other fully halogenated CFCs)	20.5336	26.667
(d) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)	29,367.4	38,220.6
(e) Annex B Group III (Methyl chloroform) (Average 1998-2000)	112.8	721.2
(f) Annex E (Methyl bromide) (Average 1995-1998)	776.3	1,102.1

Latest production and consumption of controlled substances (2005) (ODP tonnes):	Production	Consumption
(a) Annex A Group I (CFCs)	18,700.19	13,326.38
(b) Annex A Group II (Halons)	5,475.76	4,446.51
(c) Annex B Group I (Other fully halogenated CFCs)	20.29	19.59
(d) Annex B Group II (Carbon tetrachloride)	1'064.47	1,060.33
(e) Annex B Group III (Methyl chloroform)	77.88	186.59
(f) Annex C Group I (HCFCs)	17,750.58	11,167.20
(e) Annex E (Methyl bromide)	857.34	620.17
Amount approved for projects (US \$)		722,686,823
Amount disbursed (as of July 2006) (US \$):		555,200,313
ODS to be phased out (ODP tonnes)		218,852.7
ODS phased out (as of July 2006) (ODP tonnes)		187,347.9

1. Summary of activities and funds approved by the Executive Committee:

		<u>US \$</u>
(a)	Investment projects	703,455,868
(b)	Institutional strengthening	2,385,445
(c)	Project preparation, technical assistance, training and other non-investment projects	16,845,510
	Total:	722,686,823

Progress report

2. During Phase VI of the IS project, the Programme Management Office (PMO) of SEPA had further strengthened the capacity of its country compliance by improving its project management and financial management skills in order to ensure effective management and monitoring of its phase-out activities through the large number of sector phase-out plans. It also continued to improve its policy formulation and enforcement for ODS management and control with a number of new policies issued during Phase VI.

3. Special efforts have been deployed to enforce the control of illegal production, illegal consumption and illegal trade of ODS. PMO continued its effort of effective project management and monitoring to maintain its momentum and sustainability of its achieved phase-out.

4. PMO continued to make efforts to promote public awareness, with high level and highly publicized International Ozone Day Celebrations, publishing the Ozone Action in China, and a series of news reporting and promotion through the special website on Ozone Layer Protection.

Plan of Action

5. The objectives of Phase VII of the Institutional Strengthening project is to continue China's achievement in ODS phase-out to meet the phase-out milestone of the Montreal Protocol, especially to achieve its commitment of early phase-out of CFC and Halon by 1 July 2007, two and half years ahead of the MP schedule. Activities during Phase VII will be carried out to continue the improvement of policy formulation and enforcement; improvement of project management capacity, improvement of staff capacity to manage and monitor the implementation of approved sector phase-out plans in a more effective manner, and continue efforts at raising and sustaining public awareness on ozone layer protection, as well as activities to combat illegal ODS activities.

Ghana: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amounts previously approved for institutional strengthening:	
Phase I: October 1992	183,200
Phase II: October 1996	107,000
Phase III: November 1998	107,000
Phase IV: December 2000	107,000
Phase V: November 2002	139,100
Phase VI: July 2004	139,100
Total	782,400
Amount requested for renewal (Phase VII) (US \$):	139,100
Amount recommended for approval for Phase VII (US \$)	139,100
Agency support costs (US \$)	10,433
Total cost of institutional strengthening Phase VII to the Multilateral Fund (US \$)	149,533
Equivalent amount of CFC phase-out due to institutional strengthening Phase VII at US \$12.1/kg (ODP tonnes)	Not applicable
Date of approval of country programme	October 1992
ODS consumption reported in country programme (1999), (ODP tonnes)	101.4
Latest reported ODS consumption (2005) (ODP tonnes)	25.2
Baseline consumption of controlled substances (ODP tonnes):	
(a) Annex A Group I (CFCs) (Average 1995-1997)	35.8
(b) Annex A Group II (Halons) (Average 1995-1997)	0.0
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)	0.4
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)	0.0
(e) Annex E (Methyl bromide) (Average 1995-1998)	0.0
Latest consumption of controlled substances (2005) (ODP tonnes):	
(a) Annex A Group I (CFCs)	17.5
(b) Annex A Group II (Halons)	0.0
(c) Annex B Group II (Carbon tetrachloride)	0.0
(d) Annex B Group III (Methyl chloroform)	0.0
(e) Annex C Group I (HCFCs)	7.7
(f) Annex E (Methyl bromide)	0.0
Amount approved for projects (US \$)	2,474,394
Amount disbursed (as of July 2006) (US \$):	2,313,193
ODS to be phased out (ODP tonnes)	388
ODS phased out (as of July 2006) (ODP tonnes)	371

6. Summary of activities and funds approved by the Executive Committee:

		US \$
(a)	Investment projects	699,866
(b)	Institutional strengthening	867,733
(c)	Project preparation, technical assistance, training and other non-investment projects	906,795
	Total:	2,474,394

Progress report

7. During its sixth phase, the institutional strengthening (IS) project of Ghana continued successfully, achieving and maintaining compliance with the Montreal Protocol control measures as its consumption dropped from 35.58 OPD tones in 2004 to 17.5 ODP tones in 2005 which is just under 50 per cent of its CFC freeze-level. In particular, the National Ozone Unit of Ghana coordinated the implementation of several projects including the training project in Methyl Bromide, the small technical assistance project in solvents and the RMP components that are still ongoing, mostly the end users incentive project. The activities of the Ozone Unit during this time included close monitoring of 120 cold storage facilities and refrigeration workshops, holding of three meetings of the Refrigeration Sub-Committee, held training programs in code of good refrigeration practices and hydrocarbon technology, holding of two meetings of the Foam Sub-Committee, reduced illegal imports through identification of different brands of CFC 12/502 on the market, enforcement of CFC quota system, tracking illegal imports thanks to which 200 cylinders of CFC 12 refrigerants intercepted and seized, etc. With regards to public awareness activities, through adverts informed the public on reduced importation level of CFC quotas, held two awareness creation seminars for students, instructors, public and private institutions, celebrated the International Day for the Preservation of the Ozone Layer and various other seminars given. The Ozone Office also ensured that all reporting requirements for the MLF and the Ozone Secretariat were complied with.

Plan of action

8. Over the next two years, the NOU of Ghana will organise seminars on ozone layer protection for 1st, 2nd and 3rd cycle institutions and press briefings for the media in the ten regions of Ghana; educate general public on the Legislative Instrument LI 1812 – Management of Ozone Depletion Substances and Products regulation, 2005; broadcast documentaries on ozone related issues on National radio and television; hold seminars and Workshops/Training for all Stakeholders i.e. (Refrigeration technicians/ Engineers, Retailers of ODSs and users of ODSs) in code of good practices in refrigeration; embark on hydrocarbon retrofitting education programme among commercial/domestic refrigeration technicians; publicize consequences of ozone layer depletion and the need for its protection in the print media; produce and distribute Pocket-size Calendars, Stickers, T-Shirts, Flyers etc. as part of World Ozone Day Celebration; produce a documentary on Ghana's CFC phase-out efforts since inception of national Montreal Protocol activities; educate farmers on the dangers of using Methyl Bromide; monitor cold storage facilities and Refrigeration Workshops; hold workshop/seminar for Importers/Retailers of ODSs; sensitize the importers on Ghana's phase-out obligations and the future constrained supply of ODS on the market; monitor retrofitted cold storage systems in the End-User Sector (Fisheries), monitor the source of other brands of CFCs on the market other than those imported by quota beneficiary, hold National Committee on Ozone Depleting Substances (NACODS) meetings as well as those of the National Committee on Improved Refrigeration Practices (NCIRP) Meetings, prepare progress and financial reports prepared for UNDP, UNEP and Multilateral Fund Secretariat and enforce Regulations and Fiscal Policies on ODS importation and use.

Iran: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amounts previously approved for institutional strengthening:	
Phase I: Oct. 1992	200,200
Phase II: Nov. 1997	133,470
Phase III: Dec. 2000	133,470
Phase IV: Nov. 2002	173,511
Phase V (Year 1): Dec. 2004	86,755
Phase V (Year 2): Nov. 2005	86,755
Total	814,161
Amount requested for renewal of Phase VI (US \$):	173,511
Amount recommended for approval for Phase VI for one year only (US \$)	86,755
Agency support costs (US \$)	6,506
Total cost of institutional strengthening Phase VI to the Multilateral Fund (US \$)	93,261.625
Equivalent amount of CFC phase-out due to institutional strengthening Phase VI at US \$12.1/kg (ODP tonnes)	7.2
Date of approval of country programme	June 1993
ODS consumption reported in country programme (1991), (ODP tonnes)	5,703.5
Latest reported ODS consumption (2005) (ODP tonnes)	2,448.6
Baseline consumption of controlled substances (ODP tonnes):	
(a) Annex A Group I (CFCs) (Average 1995-1997)	4,571.7
(b) Annex A Group II (Halons) (Average 1995-1997)	1,420.0
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)	77.0
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)	8.7
(e) Annex E (Methyl bromide) (Average 1995-1998)	26.7
Latest consumption of controlled substances (2005) (ODP tonnes):	
(a) Annex A Group I (CFCs)	2221.0
(b) Annex A Group II (Halons)	0.0
(c) Annex B Group II (Carbon tetrachloride)	13.6
(d) Annex B Group III (Methyl chloroform)	4.3
(e) Annex C Group I (HCFCs)	192.9
(f) Annex E (Methyl bromide)	16.8
Amount approved for projects (US \$)	59,507,514
Amount disbursed (as of July 2006) (US \$):	53,377,321
ODS to be phased out (ODP tonnes)	6,228.7
ODS phased out (as of July 2006) (ODP tonnes)	5,340.8

9. Summary of activities and funds approved by the Executive Committee:

		US \$
(a)	Investment projects	57,182,867
(b)	Project preparation and institutional strengthening	910,432
(c)	Project preparation, technical assistance, training and other non-investment projects	1,414,415
	Total:	59,507,514

Progress report

10. During Phase V of its institutional strengthening (IS) project, the Islamic Republic of Iran has successfully coordinated the activities of Implementing Agencies in the implementation of individual projects and the National Phase-out Plan (NPP) to ensure compliance with the Montreal Protocol control measures. In addition, it implemented a number of initiatives including the full enforcement of its import and export licensing systems and the training of its key officials in the concerned ministries to ensure enforcement effort. In particular, it revised and verified the consumption/import data of ODS including data for CTC and TCA and oversaw the preparation of a Solvent Sector Phase-out Plan by UNIDO to address its TCA consumption and its potential non-compliance of CTC consumption.

11. The Ozone Office also prepared a draft work plan for the ODS information and policy enforcement centre, to be discussed in the National Ozone Committee. The Ozone Office also participated in Tabriz Green Urban Fair and disseminated information to interested public to raise public awareness on ozone layer protection.

Plan of action

12. The objectives of the Phase VI of the institutional strengthening project: will be the compliance with the Montreal Protocol in meeting the phase-out milestones, to achieve complete phase-out of CTC and TCA consumption in order to bring it back to compliance on CTC consumption. In addition, the Ozone Office will work to phase-out methyl bromide application in soil fumigation and monitor previous and ongoing phase-out activities to ensure sustainability of the phase-out. The Ozone Office will also fully enforce the Licensing System and facilitate strict control of ODS trade, including attracting co-operation with neighbouring countries in ODS and ODS-containing products trade. During this next phase of the IS project, the Ozone Office will continue the management and monitoring of the implementation of the NPP, and carry out public awareness activities.

Kenya: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amounts previously approved for institutional strengthening:	
Phase I: March 1993	175,000
Phase II: July 1998	116,667
Phase III: December 2000	116,667
Phase IV: November 2002	151,667
Phase V: December 2004	151,667
Total	711,668
Amount requested for renewal (Phase VI) (US \$):	151,667
Amount recommended for approval for Phase VI for one year only (US \$)	75,833
Agency support costs (US \$)	5,990
Total cost of institutional strengthening Phase VI to the Multilateral Fund (US \$)	81,823.84
Equivalent amount of CFC phase-out due to institutional strengthening Phase VI at US \$12.1/kg (ODP tonnes)	Not applicable
Date of approval of country programme	July 1994

ODS consumption reported in country programme (1993), (ODP tonnes)	550.80
Latest reported ODS consumption (2005) (ODP tonnes)	274.6
Baseline consumption of controlled substances (ODP tonnes):	
(a) Annex A Group I (CFCs) (Average 1995-1997)	239.5
(b) Annex A Group II (Halons) (Average 1995-1997)	5.3
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)	65.9
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)	1.1
(e) Annex E (Methyl bromide) (Average 1995-1998)	217.5
Latest consumption of controlled substances (2005) (ODP tonnes):	
(a) Annex A Group I (CFCs)	162.2
(b) Annex A Group II (Halons)	0.0
(c) Annex B Group II (Carbon tetrachloride)	0.2
(d) Annex B Group III (Methyl chloroform)	0.0
(e) Annex C Group I (HCFCs)	33.52
(f) Annex E (Methyl bromide)	112.2
Amount approved for projects (US \$)	4,579,057
Amount disbursed (as of July 2006) (US \$):	3,302,643
ODS to be phased out (ODP tonnes)	287.3
ODS phased out (as of July 2006) (ODP tonnes)	228.8

13. Summary of activities and funds approved by the Executive Committee:

		<u>US \$</u>
(a)	Investment projects	3,389,813
(b)	Project preparation and Institutional strengthening	795,540
(c)	Project preparation, technical assistance, training and other non-investment projects	393,704
	Total:	4,579,057

Progress report

14. Over the last two years, Kenya's Ozone Unit has followed up regularly with the Government with regards to the relevant legislation, it attended various UNEP ODSNET meetings, it submitted the usual progress and financial reports required by the Ozone Secretariat, Multilateral Fund Secretariat and UNDP, it celebrated the yearly ozone-day events, it made important progress in the implementation of the Methyl Bromide project and held training workshop on growing of vegetables and cut flower using alternatives to methyl bromide, and carried various other awareness activities. Three (3) senior custom officers, Four (4) Journalists from different local dailies, One (1) senior technical officer from the Kenya Bureau of Standards were trained under the Green Customs Initiative Workshop for East Africa held in Arusha, Tanzania.

Plan of action

15. Kenya's action plan for the next two years includes a continuation of the various activities listed in the progress report. More in particular it will continue to train customs officers about the new legislative measures on ODS imports, make efforts to initiate all efforts related to the TPMP project, carry out the solvents survey, progress in the implementation of the MeBr

phase-out programme, conduct workshops, seminars, Ozone Day Celebrations, use of print media and TV to inform all and the sundry of the global efforts and reasons for ODS phase-out.

Lebanon: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amounts previously approved for institutional strengthening:	
Phase I: May 1996	179,000
Phase II: July 2000	119,300
Phase III: July 2002	155,090
Phase IV: December 2004	155,090
Total	608,480
Amount requested for renewal (Phase V) (US \$):	155,090
Amount recommended for approval for Phase V (US \$)	155,090
Agency support costs (US \$)	11,632
Total cost of institutional strengthening Phase V to the Multilateral Fund (US \$)	166,722
Equivalent amount of CFC phase-out due to institutional strengthening Phase V at US \$12.1/kg (ODP tonnes)	12.8
Date of approval of country programme	May 1996
ODS consumption reported in country programme (1993), (ODP tonnes)	760
Latest reported ODS consumption (2005) (ODP tonnes)	354.6
Baseline consumption of controlled substances (ODP tonnes):	
(a) Annex A Group I (CFCs) (Average 1995-1997)	725.5
(b) Annex A Group II (Halons) (Average 1995-1997)	-
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)	0.04
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)	-
(e) Annex E (Methyl bromide) (Average 1995-1998)	236.4
Latest consumption of controlled substances (2005) (ODP tonnes):	
(a) Annex A Group I (CFCs)	287.3
(b) Annex A Group II (Halons)	0.0
(c) Annex B Group II (Carbon tetrachloride)	0.0
(d) Annex B Group III (Methyl chloroform)	0.0
(e) Annex C Group I (HCFCs)	18.6
(f) Annex E (Methyl bromide)	48.7
Amount approved for projects (US \$)	13,503,004
Amount disbursed (as of July 2006) (US \$):	9,345,037
ODS to be phased out (ODP tonnes)	1541.3
ODS phased out (as of July 2006) (ODP tonnes)	962.5

16. Summary of activities and funds approved by the Executive Committee:

		US \$
(a)	Investment projects	12,146,352
(b)	Institutional strengthening	678,982
	Project preparation, technical assistance, training and other non-investment projects	677,670
	Total:	13,503,004

Progress report

17. During the period under review, Lebanon reported activities to strengthen institutional capacity, resulting in timely collection and reporting of ODS data to the Ozone and Multilateral Fund Secretariats, submission of required reports and participation in the meetings of the Regional Network, Executive Committee and the Parties to the Montreal Protocol. It achieved successful monitoring and management of phase-out activities of individual projects as well as the NPMP. Successful awareness raising activities and training of key stakeholders were carried out. Successful resource mobilization efforts were exercised. Critical activities in updating of national legislations on ODS were also achieved.

Plan of action

18. During the next two years Lebanon, will continue and intensify its efforts in areas of institutional capacity strengthening, review and updating of national legislation on ODS, vigorous monitoring and management of the implementation of its phase-out activities to ensure meeting phase-out targets, continue its efficient effort in collection and reporting of ODS data, and intensify efforts to ensure sustainability of its phase-out achievements to meet the its obligation under the Montreal Protocol.

Sri Lanka: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amounts previously approved for institutional strengthening:	
Phase I: March 1994	154,680
Phase II: November 1997	103,120
Phase III: November 1999	103,120
Phase IV: July 2002	134,056
Phase V: July 2004	134,056
Total	629,032
Amount requested for renewal (Phase VI) (US \$):	134,056
Amount recommended for approval for Phase VI (US \$)	134,056
Agency support cost (US \$)	10,054
Total cost of institutional strengthening Phase VI to the Multilateral Fund (US \$)	144,110
Equivalent amount of CFC phase-out due to institutional strengthening Phase VI at US \$12.1/kg (ODP tonnes)	11.1
Date of approval of country programme	March 1994
ODS consumption reported in country programme (1991), (ODP tonnes)	223.1
Latest reported ODS consumption (2005) (ODP tonnes)	163.7
Baseline consumption of controlled substances (ODP tonnes):	
(a) Annex A Group I (CFCs) (Average 1995-1997)	445.6
(b) Annex A Group II (Halons) (Average 1995-1997)	-
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)	35.1
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)	3.0
(e) Annex E (Methyl bromide) (Average 1995-1998)	4.1

Annex I

Latest consumption of controlled substances (2005) (ODP tonnes):	
(a) Annex A Group I (CFCs)	149.2
(b) Annex A Group II (Halons)	0.0
(c) Annex B Group II (Carbon tetrachloride)	3.6
(d) Annex B Group III (Methyl chloroform)	0.0
(e) Annex C Group I (HCFCs)	9.8
(f) Annex E (Methyl bromide)	1.1
Amount approved for projects (US \$)	4,437,403
Amount disbursed (as of July 2006) (US \$):	2,923,941
ODS to be phased out (ODP tonnes)	96
ODS phased out (as of July 2006) (ODP tonnes)	75

19. Summary of activities and funds approved by the Executive Committee:

		<u>US \$</u>
(a)	Investment projects	3,546,763
(b)	Project preparation and institutional strengthening	703,433
(c)	Project preparation, technical assistance, training and other non-investment projects	187,207
	Total:	4,437,403

Progress report

20. During its fifth phase, the institutional strengthening (IS) project of Sri Lanka continued successfully, achieving and maintaining compliance with the Montreal Protocol control measures. In particular, the National Ozone Unit (NOU) of Sri Lanka coordinated the implementation of several projects to phase-out ODS including training of Customs Officers and Refrigeration Technicians included as part of the RMP, and the start-up of the National Compliance Assistance Project and training of fumigation technicians under the Methyl Bromide Technical Assistance Project. The Training component of the RMP was completed during this phase.

21. The National Ozone Unit of Sri Lanka began development of the "Sri Lanka standards for Refrigerants" during this phase. This draft standard was circulated to technicians during their training. Public awareness activities included execution of fourteen Awareness Programmes for School Children as well as one Teachers' awareness Programme. There were also nine Awareness Sessions for Government Officials and one for Media Professionals. A Poster Competition was held during both years of this extension and resulted in posters being produced from the winning entries which were printed for distribution. An Ozone quiz was also conducted for School Children.

Plan of action

22. The NOU of Sri Lanka has the following objectives for the sixth phase of the institutional strengthening project: to phase-out methyl bromide for all uses except QPS, to continue compliance with the reductions of CFC consumption as per the agreed targets in the National Compliance Assistance Project resulting in an overall 19 per cent reduction of the 2006 level over the next two years (2007-2008). During the next phase of the IS project, the NOU will

continue implementation of current ongoing activities including the RMP, Methyl Bromide Phase Out and NCAP. Further to the implementation of specific projects, the NOU will continue raising public awareness through various activities.

Trinidad and Tobago: Renewal of institutional strengthening

Summary of the Project and Country Profile	
Implementing Agency:	UNDP
Amount previously approved for institutional strengthening:	
Phase I: October 1996	66,000
Phase II: December 2000	44,000
Phase III: November 2002	57,200
Phase IV: December 2004	60,000
Total	227,200
Amount requested for renewal (Phase V) (US \$):	60,000
Amount recommended for approval for Phase V (US \$)	60,000
Agency support costs (US \$)	4,500
Total cost of institutional strengthening Phase V to the Multilateral Fund (US \$)	64,500
Equivalent amount of CFC phase-out due to institutional strengthening Phase V at US \$12.1/kg (ODP tonnes)	Not applicable
Date of approval of country programme	October 1996
ODS consumption reported in country programme (1994), (ODP tonnes)	120.4
Latest reported ODS consumption (2005) (ODP tonnes)	52.1
Baseline consumption of controlled substances (ODP tonnes):	
(a) Annex A Group I (CFCs) (Average 1995-1997)	120.0
(b) Annex A Group II (Halon) (Average 1995-1997)	46.6
(c) Annex B Group II (Carbon tetrachloride) (Average 1998-2000)	
(d) Annex B Group III (Methyl chloroform) (Average 1998-2000)	0.7
(e) Annex E (Methyl bromide) (Average 1995-1998)	1.71
Latest consumption of controlled substances (2005) (ODP tonnes):	
(a) Annex A Group I (CFCs)	18.3
(b) Annex A Group II (Halon)	0.0
(c) Annex B Group II (Carbon tetrachloride)	0.0
(d) Annex B Group III (Methyl chloroform)	0.0
(e) Annex C Group I (HCFCs)	33.7
(f) Annex E (Methyl bromide)	0.1
Amount approved for projects (US \$)	1,505,338
Amount disbursed (as of July 2006) (US \$):	920,633
ODS to be phased out (ODP tonnes)	123.6
ODS phased out (as of July 2006) (ODP tonnes)	79.0

23. Summary of activities and funds approved by the Executive Committee:

		US \$
(a)	Investment projects	1,095,077
(b)	Project preparation and institutional strengthening	247,534
(c)	Project preparation, technical assistance, training and other non-investment projects	162,727
	Total:	1,505,338

Progress report

24. Phase IV of the institutional strengthening project in Trinidad and Tobago has been highly successful. The National Ozone Unit (NOU) is very well integrated into the governmental structure and especially to the EMA. The well functioning NOU has a reliable licensing and quota system with good enforcement in place. A key factor has been a good communication strategy where the constant public awareness activities are creating an enabling environment for the successful implementation of the Montreal Protocol.

25. The government of Trinidad and Tobago has taken remarkable steps towards achieving its compliance targets. From the beginning of 2008, Trinidad and Tobago will no longer be importing CFCs, which will be two years ahead of most of the Article 5 countries. An important achievement in phase IV has been the successful implementation of the first phase of the Terminal Phase-out Management Plan (TPMP), and the successful request and approval of second and final tranche of the TPMP.

Plan of action

26. Phase V of the institutional strengthening project in Trinidad and Tobago will cover a very interesting period. 2007 will be the last year with CFC imports in the country, and 2008 will be the first year without any CFC imports. The NOU will also work towards a reduction in the demand of Methyl Bromide for QPS. Both years will therefore be bringing different challenges to the daily work of the NOU. The public awareness activities and a good communication strategy will continue to be a central element for the institutional strengthening project in Phase V.

Annex II

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 50TH MEETING

China

1. The Executive Committee notes with appreciation the fact that the 2005 ODS consumption and production data reported to the Ozone Secretariat shows that China's levels of consumption and production of all the controlled substances were much lower than its allowable levels in 2005. However, it also notes with concern that China's consumption of CFC-113 in 2005 exceeded its maximum allowable level and so would appear to continue to be in potential non-compliance, and encourages China to put in place measures that will put the country back into compliance for CFC-113 as soon as possible. The Executive Committee greatly appreciates the continued significant efforts of China to accelerate its consumption and production phase-out. The Executive Committee expresses the expectation that in the next two years, China will continue the progress achieved, sustain and build upon its current level of ODS reductions to achieve the goal of early phase-out in CFCs and Halon, and to meet the reduction schedules of other ODS.

Ghana

2. The Executive Committee takes note of the fact that Ghana's reported CFC consumption that shows the country to be in compliance with the 2005 50 per cent reduction in CFC consumption required under the Montreal Protocol. It also notes the number of initiatives it has undertaken during Phase VI of the institutional strengthening project, particularly the strict implementation and enforcement of the quota system. The Executive Committee commends Ghana for these achievements and hopes that Ghana will continue implementation of its planned activities with outstanding success in the reduction of current ODS consumption levels.

Islamic Republic of Iran

3. The Executive Committee notes with appreciation the fact that the 2005 CFC consumption data reported to the Ozone Secretariat indicates that the Islamic Republic of Iran continues to sustain the complete phase-out of its halon consumption. However the Committee notes with concern that the Islamic Republic of Iran's 2005 CTC consumption level was higher than its maximum allowable consumption and that the Islamic Republic of Iran appears to continue to be in non-compliance with the CTC consumption reduction measures. The Executive Committee also notes with appreciation that the Islamic Republic of Iran has taken significant steps to return to compliance and in cooperation with UNIDO, has prepared a Solvent Sector Phase out Plan for submission to the 50th Meeting to address the phase-out of consumption of both TCA and CTC. The Executive Committee commends the Islamic Republic of Iran for these achievements and hopes that it will continue implementation of its planned activities with outstanding success in the reduction of current ODS consumption levels.

Kenya

4. The Executive Committee notes with concern that Kenya's reported 2005 CFC consumption rose from 131 ODP tonnes in 2004 to 162 ODP tonnes in 2005 putting the country in potential non-compliance with the Montreal Protocol. The Executive Committee would like to encourage Kenya to expedite the approval of its ODS legislation in order to fully implement the activities under the TPMP, and for it to put in place the necessary measures to facilitate reductions in the country's CFC consumption. The Executive Committee commends the Government of Kenya for its efforts and expresses the expectation that, in the next two years, it will continue the implementation of its planned activities with outstanding success in the reduction of current ODS consumption levels.

Lebanon

5. The Executive Committee notes with appreciation the fact that Lebanon has submitted 2005 ODS consumption data to the Ozone Secretariat that shows consumption levels that were lower than the country's maximum allowable consumption in 2005. The Executive Committee greatly appreciates the effort of Lebanon to reduce its ODS consumption and expresses the expectation that in the next two years, through the enforcement of existing controls and other initiatives elaborated in its plan of action Lebanon will continue to achieve progress, sustain and build upon its current level of CFC reductions in order to meet the phase-out targets stipulated in its national CFC phase-out plan and achieve the goal of complying with the Protocol's reduction schedules ahead of time.

Sri Lanka

6. The Executive Committee notes with appreciation that Sri Lanka reported 2005 ODS consumption data to the Ozone Secretariat that were much lower than its maximum allowable levels, thus significantly meeting both the Montreal Protocol reduction targets and the targets set out in the National Compliance Assistance Plan (NCAP). The Executive Committee greatly supports the efforts of Sri Lanka to reduce the consumption of ODS and is hopeful that, in the next two years, Sri Lanka will continue with the implementation of its country programme and national phase-out plan activities with outstanding success towards complete phase-out of its ODS consumption.

Trinidad and Tobago

7. The Executive Committee notes with appreciation that Trinidad and Tobago has reported 2005 consumption data to the Ozone Secretariat indicating that the country has reduced its CFC consumption considerably beyond the 50 per cent CFC consumption reduction target and has almost met the 85 per cent reduction requirement scheduled for 2007 setting it on its way to meeting its planned target of complete phase-out of its CFC consumption in 2008. Trinidad and Tobago has also phased out its halon consumption and sustained this phase out for the past three years. The Executive Committee commends Trinidad and Tobago for these achievements and hopes that on the next two years, it will continue to build on its outstanding success in the reduction of current ODS consumption levels.

