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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-eighth Meeting
Montreal, 6-10 July 2009

ANNOTATED PROVISIONAL AGENDA

1. Opening of the meeting

Opening remarks by the Chairperson of the Executive Committee.

2. Organization matters

(a) Adoption of the agenda

Document UNEP/OzL.Pro/ExCom/58/1 contains the Provisional Agenda for the 58th Meeting of the Executive Committee.

Action expected from the Executive Committee: the Committee might wish to adopt the Agenda of the meeting on the basis of the Provisional Agenda as contained in document UNEP/OzL.Pro/ExCom/58/1 and, if needed, as amended verbally at the plenary.

(b) Organization of work

The Chairperson will propose to the plenary the organization of work.

3. Secretariat activities

Document UNEP/OzL.Pro/ExCom/58/2 presents a report on the activities of the Secretariat since the 57th Meeting of the Executive Committee. The document includes information on the follow-up activities implemented by the Secretariat on the outcome of the 57th Meeting, the preparations for the 58th Meeting, as well as information on the missions undertaken by the Chief Officer and the staff of the Secretariat during this reporting period.

Issues to be addressed: None.

Action expected from the Executive Committee: the Executive Committee may wish to take note of the report.

4. Status of contributions and disbursements

Document UNEP/OzL.Pro/ExCom/58/3 provides information on the status of the Fund as at 27 May 2009 as recorded by the Treasurer. At that date, the Fund's balance stood at US \$89,461,196 after taking into account all the funds approved by the Executive Committee up to and including the 57th Meeting.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to:

- (a) Note the report of the Treasurer on the status of contributions and disbursements and the information on promissory notes as contained in document UNEP/OzL.Pro/ExCom/58/3;
- (b) Note the list of Parties (Annex 1 to this report) that had opted to use the FERM in making their contributions to the Fund during the replenishment period 2009 – 2011; and
- (c) Urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible.

5. Status of resources and planning:

(a) Report on balances and availability of resources

Document UNEP/OzL.Pro/ExCom/58/4 contains a summary of the financial adjustments indicated by the bilateral and implementing agencies and agreed by the Fund Secretariat. It also includes statistical data from projects with balances that have been held for more than the allowable 12 month period following project completion and indicates the level of resources available to the 58th Meeting of the Committee.

Issues to be addressed:

- Un-obligated balance of US \$461,338 held by the World Bank against the total phase-out of CFCs plan in Turkey that had been completed in 2005.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Note the report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/58/4;
- (b) Note the net level of funds being returned by the implementing agencies to the 58th Meeting amounting to US \$340,398 against projects. This includes the return of US \$59,829 from UNDP, US \$209,562 from UNEP, and US \$64,015 from UNIDO, US \$6,992 from the World Bank;
- (c) Note the net level of support costs being returned by the implementing agencies to the 58th Meeting amounting to US \$26,352 against projects. This includes the return of US \$4,396 from UNDP, US \$14,621 from UNEP and US \$6,426 from UNIDO, and US \$909 from the World Bank;

- (d) Note the net level of funds and support costs being returned by the bilateral agencies to the 58th Meeting amounting to US \$309,713 against projects;
- (e) Request the Treasurer to reduce bilateral funding by US \$47,598 for Canada, US \$43,947 for Denmark, US \$76,855 for Finland, and US \$78,451 for Italy; and to record US \$59,363 in interest accrued;
- (f) Request the Treasurer to apply US \$62,862 for future bilateral projects against Germany's bilateral contribution to previous triennia;
- (g) Note that implementing agencies had balances totalling US \$5,752,304 excluding support costs from projects completed over two years ago. This includes US \$519,466 from UNDP, US \$1,530,274 from UNEP, US \$521,077 from UNIDO, and US \$3,181,487 from the World Bank;
- (h) Note that France had balances totalling US \$165,917 including support costs from projects completed over two years; and
- (i) Request the World Bank to update the Committee at its 58th Meeting on the return of the un-obligated balance of US \$461,338 against the total phase-out of CFCs plan in Turkey that had been completed in 2005.

(b) 2009 business plans and annual tranche submission delays

Document UNEP/OzL.Pro/ExCom/58/5 considers business planning in light of approvals at the 57th Meeting, submissions to the 58th Meeting, and allocations in the 2009 business plans. Firstly, it addresses decisions taken at the 57th Meeting with respect to the 2009-2011 business plans. It also presents the value of activities that were not submitted to either the 57th or 58th Meetings but were included in the 2009 business plans, and identifies projects required for compliance. It also assesses the forward commitments approved to-date as well as those submitted for approval to the 58th Meeting, and concludes with observations and recommendations. This document also includes information on submission delays, namely the submission of tranches that were due at the 58th Meeting, tranches not submitted by agreement with the Secretariat, and presents recommendations for consideration by the Executive Committee.

Issues to be addressed:

- US \$2.75 million has been allocated over and above the needs identified by the model three-year phase-out plan;
- Out of US \$37,450,163 submitted to the 58th Meeting, agencies submitted projects valued at over US \$888,175 that were not in the business plans, exceeding the amount included for them in the 2009 business plans. If approved, the Executive Committee would have approved US \$6,195,667 more than the total amount included in the 2009 business plans for these projects;
- US \$47.5 million remains to be submitted in 2009 for activities critical to compliance; and
- Fifty annual tranches due to the 58th Meeting were not submitted, twenty-one of these have not been submitted to two consecutive meetings. An additional two annual tranches were submitted but have been withdrawn due to sufficient funds from approved tranches and the lack of an audit report.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- (a) Noting the Report on the status of the 2009 business plans as contained in UNEP/OzL.Pro/ExCom/58/5 and the fact that US \$47.5 million in activities that were required for compliance had not been submitted to the 58th Meeting, and that the value of forward commitments approved at the 58th Meeting [exceeds/is below] the value in the 2009-2011 business plan of the Multilateral Fund by US \$XXX [to be provided based on actual approvals];
 - (b) Noting the information on annual tranches of multi-year agreements submitted to the Secretariat by Canada, Italy Spain, UNDP, UNEP, UNIDO, and the World Bank as contained in the document (UNEP/OzL.Pro/ExCom/58/5);
 - (c) Requesting bilateral and multilateral implementing agencies to submit those activities required for compliance in the 2009 business plans to the 59th Meeting;
 - (d) Noting that 23 of the 73 annual tranches of multi-year agreements that were due for submission were submitted on time to the 58th Meeting, but the remaining 50 have not been;
 - (e) Noting that letters should be sent for the annual tranches, indicated in Table 6 of the present document, that were due for submission to the last two meetings with the reasons indicated for the delay, and encouraging implementing agencies and the relevant Article 5 Governments to take actions to expedite the implementation of the approved tranches so that the over-due tranches could be submitted to the 59th Meeting;
 - (f) Noting that letters should be sent for the annual tranches, indicated in Table 7 of the present document, that were due for submission to the 58th 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 59th Meeting;
 - (g) Encouraging the Governments of Costa Rica to expedite completion of the existing tranche and of India to complete the documentation necessary in order to submit the annual tranches for the methyl bromide project in Costa Rica and the accelerated CFC production closure project in India, as soon as possible; and
 - (h) Noting that the level of annual tranches submitted for approval to the 58th Meeting amounted to US \$ XXX and, as a result, the total level of commitments for the period 2010 to 2014 would amount to US \$ XXX million [to be updated].
- (c) **Status on implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol**

[Text to be included in UNEP/OzL.Pro/ExCom/58/1/Add.2]

6. Programme implementation:

(a) Monitoring and evaluation:

(i) Terms of reference and workload for the Senior Monitoring and Evaluation Officer (decisions 56/8(e) and 57/12)

Document UNEP/OzL.Pro/ExCom/58/7 contains the assessment of the workload of the Senior Monitoring and Evaluation Officer from the perspective of the immediate and longer term monitoring and evaluations needs and a revised job description thereof.

Issues to be addressed:

- Assessment of the workload of the Senior Monitoring and Evaluation Officer;
- Revised job description for the Senior Monitoring and Evaluation Officer.

Action expected from the Executive Committee: the Executive Committee may wish to:

- (a) Note the document “Terms of reference and workload for the senior monitoring and evaluation officer (decisions 56/8(e) and 57/12)” presented under UNEP/OzL.Pro/ExCom/58/7;
- (b) Agree on the assessment of the workload of the Senior Monitoring and Evaluation Officer as presented in this document; and
- (c) Adopt the revised job description for the Senior Monitoring and Evaluation Officer as presented in Annex I.

(ii) Final report on the evaluation of TPMPs

Document UNEP/OzL.Pro/ExCom/58/8 is based on the desk study on the evaluation of terminal phase-out management plans (TPMPs) presented at the 55th Meeting of the Executive Committee under document UNEP/OzL.Pro/ExCom/55/8. This second and final part of the full evaluation of TPMPs in low-volume-consuming countries covers the findings of individual country case studies carried out in eight low-volume-consuming countries by different consultants during the period from December 2008 to May 2009.

Issues to be addressed:

- Phase-out achieved, compliance and delays;
- Adequacy of funding and support by the governments and the implementing agencies;
- TPMP implementation;
- Monitoring, reporting and verification; and
- Lessons learned for achieving full CFC phase-out and preparation of HPMPs.

Action expected from the Executive Committee: the Executive Committee may wish to:

- (a) Take note of the final report on the evaluation of terminal phase-out management plans as presented in document UNEP/OzL.Pro/ExCom/58/8;
- (b) Request the bilateral and implementing agencies assisting Article 5 countries in implementing terminal phase-out management plans to regularly provide the National Ozone Units with updated financial reports on fund disbursements and commitments associated with the activities in the projects, so that they will be in a position to account to their respective Governments;
- (c) Request Article 5 countries to give due consideration to the review and to enhance their data collection and monitoring systems for control of ODS trade, in order to improve the quality and reliability of the import/export data from customs authorities, companies and servicing workshops, where applicable;
- (d) Request bilateral and implementing agencies, that in implementing the last tranche(s) of the terminal phase-out management plans to advise and assist Article 5 countries in reviewing current ODS regulations, including licensing systems, to incorporate import/export regulations on HCFCs;
- (e) Request Article 5 countries to consider in future national phase-out plans, similar to the terminal phase-out management plans, the establishment of programme management units within the funding available, to complement the resources of the National Ozone Units in order to improve their effectiveness in carrying out the implementation, monitoring and evaluation required under such programmes;
- (f) Request the bilateral and implementing agencies assisting Article 5 countries to demonstrate the technical feasibility and economic viability of the ODS reclamation centres, before they are established; and
- (g) Request Article 5 countries, when developing and/or designing training programmes for technicians, to include specific modalities for assisting the informal sector in a cost-effective and sustainable manner.

(iii) Desk study on the evaluation of chiller projects

Document UNEP/OzL.Pro/ExCom/58/9 contains a desk study and associated country studies based on a desk review and analysis of more than 90 project documents and reports available in the Multilateral Fund Secretariat and three country case studies. The document examines efforts to set up co-funding programmes between the Multilateral Fund and other institutions, looks at the technical feasibility and financial attractiveness of chiller replacements and presents a number of conclusions, lessons learned and recommendations.

Issues to be addressed:

- Co-funding experiences with other institutions;
- Technical feasibility and financial stimulus;
- Difficulties, barriers, impediments encountered and overcome; and
- Conclusions, lessons learned and recommendations.

Action expected from the Executive Committee: the Executive Committee may wish to:

- (a) Take note of the desk study on the evaluation of chiller projects as presented in document UNEP/OzL.Pro/ExCom/58/9;
- (b) Urge the bilateral and implementation agencies to accelerate implementation of the current chiller projects with co-funding modalities and to provide a progress report to the 59th Meeting of the Executive Committee, as requested by decision 47/26(f);
- (c) Request the Senior Monitoring and Evaluation Officer to consider including a final evaluation of completed chiller projects in the evaluation work programme at some future date, possibly 2011, to provide an overview of what has been achieved;
- (d) Encourage bilateral and implementing agencies to continue in their efforts to explore the applicability of carbon market instruments, such as the Clean Development Mechanism or the Voluntary Carbon Standard, for the replacement of HCFC equipment, particularly the chiller equipment;
- (e) Suggest to the bilateral and implementing agencies that for any project they might undertake related to chiller conversion, a thorough analysis of the technical, economical, financial, co-funding and environmental issues associated with the replacement should be completed, and the economic viability and long term sustainability should be demonstrated prior to submitting a request for approval. Such projects, as per decision 47/26(g), would not be supported by the Multilateral Fund; and
- (f) Request the Senior Monitoring and Evaluation Officer to take action to disseminate the conclusions and lessons learned in the desk study on the evaluation of chiller projects to relevant countries and implementing agencies.

(b) Progress reports as at 31 December 2008:

(i) Consolidated progress report

Document UNEP/OzL.Pro/ExCom/58/10 summarises the progress and financial information on the implementation of projects and activities supported by the Fund up to 31 December 2008. The report consists of three parts and two annexes: Part I is a summary of implementation progress at the country level; Part II is a summary of activities to the end of 2008; and Part III contains the comments and recommendations of the Fund Secretariat. Annex I contains

project implementation data by country; and Annex II an analysis of progress report data.

Issues to be addressed:

- Slow implementation or disbursement for projects required for the 2010 phase-out and institutional strengthening;
- Chiller projects;
- HPMP preparation; and
- Data inconsistencies.

Action expected from the Executive Committee: the Committee may wish to:

(a) Note:

- (i) The Consolidated Progress Report of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/58/10;
- (ii) With concern that HPMP preparation activities are expected to take longer than originally planned in general and urge implementing agencies to complete HPMP development, taking into account in particular decision 54/39(c and h); and

- (b) Urge implementing agencies to follow the operational guidelines for progress reporting and use the Secretariat's verification programme to avoid data inconsistencies.

(ii) Bilateral cooperation progress report

Document UNEP/OzL.Pro/ExCom/58/11: contains the progress report on activities up to 31 December 2008 implemented under bilateral cooperation by: Australia, Canada, Finland, France, Germany, Italy, Japan, Spain, Sweden, Switzerland and United States of America.

Issue to be addressed:

- Progress reports have not been received from Israel and Portugal; and
- Request for additional status reports on projects with slow progress.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Note with appreciation the progress reports submitted by the Governments of Australia, Canada, , France, Germany, Italy, Japan, Spain, Sweden, Switzerland, and the United States of America as contained in UNEP/OzL.Pro/ExCom/58/11;
- (b) Request the Governments of Israel and Portugal to provide their progress reports to the 59th Meeting of the Executive Committee;
- (c) Request the Governments of Australia, Canada, Italy, Japan, and Spain to provide reports on the projects with implementation delays to the 59th Meeting of the Executive Committee as shown in Table 2 of the current document;

- (d) Request additional status reports on the following projects:
- (i) The PIC strategy for Tonga (TON/REF/361/TAS/01) under Australian implementation;
 - (ii) The PIC strategy for Vanuatu (VAN/REF/36/TAS/02) under Australian implementation;
 - (iii) The ODS phase-out plan in Cuba under Canadian implementation; (CUB/PHA/45/INV/32);
 - (iv) The methyl bromide phase-out plan in Mexico under Canadian implementation; (MEX/FUM/42/TAS/122);
 - (v) The CFC phase-out plan in Saint Lucia under Canadian implementation; (STL/PHA/52/INV/12);
 - (vi) The CFC phase-out plan in Kenya (KEN/PHA/44/INV/37) under French implementation;
 - (vii) The CFC phase-out plan in Seychelles (SEY/PHA/51/INV/12) under French implementation;
 - (viii) The RMP project in Ethiopia (ETH/REF/44/TAS/14) under French implementation;
 - (ix) The RMP project in the United Republic of Tanzania (URT/REF/46/TAS/18) under French implementation;
 - (x) The ODS recycling network in Morocco (MOR/REF/23/TAS/17) under French implementation;
 - (xi) CFC phase-out plan for the Foam, MAC training and Management in the Islamic Republic of Iran under German implementation; (IRA/PHA/51/INV/181 and IRA/PHA/54/INV/186);
 - (xii) HPMP preparation in Mauritius (MAR/PHA/55/PRP/20) under German implementation;
 - (xiii) HPMP preparation in India (IND/PHA/56/PRP/426) under German implementation;
 - (xiv) The RMP update in Swaziland (SWA/REF/41/TAS/08) under German implementation;
 - (xv) The RMP update for the refrigeration and air conditioning sector in Zambia (ZAM/REF/42/TAS/13) under German implementation;
 - (xvi) The Eastern and Southern African countries regional halon bank (AFR/HAL/35/TAS/29) with respect to the status of halon decommissioning in Kenya, Ethiopia and the United Republic of Tanzania under German implementation;

- (xvii) The methyl bromide project in Mexico (MEX/FUM/54/INV/137) under Italian implementation;
- (xviii) The methyl bromide project in Morocco (MOR/FUM/56/INV/62) under Italian implementation;
- (xix) CFC phase-out plan in Philippines (PHI/PHA/44/TAS/77) under Swedish implementation;
- (xx) CFC phase-out plan in Serbia (YUG/PHA/43/TAS/22) under Swedish implementation;
- (e) Request the Chairman of the Executive Committee to write to the Government of Vanuatu urging the completion of legislation thereby enabling the training of customs officers to facilitate compliance with the Montreal Protocol with respect to the PIC strategy in Vanuatu (VAN/REF/36/TAS/02); and
- (f) Note that since decision 17/22, no overruns have been allowed for Fund supported activities and, in the light of that decision, request that the Governments of France and Japan should adjust the accounting in their next progress report to the Executive Committee to address the rule of no overruns.

(iii) UNDP progress report

Document UNEP/OzL.Pro/ExCom/58/12 contains the progress report of UNDP for activities up to 31 December 2008 and the comments and recommendations of the Fund Secretariat on the report.

Issues to be addressed:

- US \$137.9 million has been approved for multi-year agreements (MYAs) for UNDP implementation and there was a balance of US \$44.6 million at 31 December 2008;
- 61 MYAs are under implementation of which 20 (approved over a year ago) have disbursed less than 20 per cent of the funds approved;
- Delays in MYAs due to tendering issues and delayed signature of project documents;
- 11 projects are classified projects with implementation delays that are subject to procedures of project cancellation;
- Delays in HCFC phase-out management plan (HPMP) preparation related to delays in signature of projects documents and changes in Governments;
- Delays in an refrigeration management plan (RMP) due to late approval of a licensing system and changes in National Ozone Unit (NOU), in a methyl bromide project due to design issues, in halon banking projects due to late signing of the documents and changes in Governments; and metered-dose inhaler strategy due to institutional changes in the Government; and
- Delays in chiller projects due to delays in securing co-financing, natural disasters, and limited numbers of chillers.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Note UNDP's Progress Report contained in UNEP/OzL.Pro/ExCom/58/12;
- (b) Request additional status reports to be submitted to the 59th Meeting for the following multi-year agreements:
 - (i) Bangladesh – National ODS phase-out plan;
 - (ii) Peru – Terminal phase-out management plan (TPMP);
 - (iii) Togo – TPMP;
- (c) Note that UNDP will report to the 59th Meeting on up to 11 projects with implementation delays including five projects that were classified as such in 2007;
- (d) Request additional status reports to be submitted to the 59th Meeting for the following HCFC phase-out management plan HPMP preparation activities in:
 - (i) Angola (ANG/PHA/55/PRP/08);
 - (ii) El Salvador (ELS/PHA/55/PRP/23);
 - (iii) Panama (PAN/PHA/55/PRP/28);
- (e) Request additional status report to be submitted to the 59th Meeting on the refrigeration management plan projects in:
 - (i) Barbados (BAR/REF/43/TAS/11&12);
 - (ii) Maldives (MDV/REF/38/TAS/05);
- (f) Request an additional status report to be submitted to the 59th Meeting on the methyl bromide project in Fiji (FIJ/FUM/47/TAS/17);
- (g) Request additional status reports to be submitted to the 59th Meeting on the halon banking projects in:
 - (i) Chile (CHI/HAL/51/TAS/164);
 - (ii) Sierra Leone (SIL/HAL/51/TAS/15);
- (h) Request an additional status report to be submitted to the 59th Meeting for the metered-dose inhaler (MDI) project in the Republic of Moldova (MOL/ARS/54/TAS/20) due to lack of activities in 2008;
- (i) Request additional status reports be provided to the 59th Meeting on the following chiller projects:
 - (i) Brazil (BRA/REF/47/DEM/275);

- (ii) Colombia (COL/REF/47/DEM/65);
- (iii) Cuba (CUB/REF/47/DEM/36); and
- (iv) Latin America region (LAC/REF/47/DEM/36).

(iv) UNEP progress report

Document UNEP/OzL.Pro/ExCom/58/13 contains the progress report of UNEP for activities up to 31 December 2008 and the comments and recommendations of the Fund Secretariat on the report.

Issues to be addressed:

- US \$8.4 million has been approved for multi-year agreements (MYAs) for implementation by UNEP and there was a balance of US \$4.7 million as at 31 December 2008;
- Sixty-two MYAs are under implementation, seven of which (approved over a year ago) have disbursed less than 20 per cent of the funds approved;
- UNEP's expects to disburse all remaining funds in 2009;
- There are obligated and un-obligated balances in the 2008 CAP budget;
- There are cases of no disbursement or slow implementation;
- Three regional and six global projects have been delayed in addition to the eight projects, which have been classified as projects with implementation delays that are subject to procedures of project cancellation;
- There are delays in project preparation for HCFC phase-out management plan (HPMPs);
- UNEP is addressing issues with respect to the Global study on challenges associated with halon banking;
- There is an apparent lack of progress on the Global Chiller Project;
- UNEP's progress report lacked information on 2009 activities for the MDI workshops;
- There is a lack of disbursement for institutional strengthening projects approved over a year ago;
- Consideration of possible cancellation of institutional strengthening project in Brunei Darussalam due to lack of signature of appropriate documents after several attempts;
- Project preparation has been used to fund National Ozone Unit (NOU) for coordination of a terminal phase-out management plan (TPMP);
- Advances have been included in reports of funds disbursed;
- Consideration of offsetting funding for the loss of unaccounted funds;
- Consideration of deferring activities due to lack of ability to transfer funds; and
- There are questions asked by the Secretariat that have not been answered for several projects.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Note UNEP's progress report contained in UNEP/OzL.Pro/ExCom/58/13;

- (b) Report in its presentation of its progress report to the 58th Meeting:
 - (i) How UNEP expects to disburse all undisbursed funds in 2009 as indicated in its progress report and how it will correct these estimates if it is not correct;
 - (ii) If UNEP is in a position to return unobligated balances from the 2008 CAP budget;
- (c) Request additional status reports to be submitted to the 59th Meeting for the individual projects/plans indicated in Table 2 above;
- (d) Note that UNEP has eight projects classified with implementation delays, including five projects that were so classified last year, and that a report on these projects should be submitted to the 59th Meeting;
- (e) Request additional status reports for the following HPMP preparation activities that have been delayed: Antigua and Barbuda (ANT/PHA/55/PRP/12), Bahamas (BHA/PHA/55/PRP/15), Bahrain (BAH/PHA/55/PRP/19), Barbados (BAR/PHA/55/PRP/18), Belize (BZE/PHA/55/PRP/21), Grenada (GRN/PHA/55/PRP/13), Guyana (GUY/PHA/55/PRP/16), Honduras (HON/PHA/55/PRP/25), Oman (OMA/PHA/55/PRP/17), Paraguay (PAR/PHA/55/PRP/20), Saint Kitts and Nevis (STK/PHA/56/PRP/14), Saint Lucia (STL/PHA/55/PRP/13), Saint Vincent and the Grenadines (STV/PHA/55/PRP/13), Sao Tome and Principe (STP/PHA/55/PRP/15), Sri Lanka (SRL/PHA/55/PRP/34), and Suriname (SUR/PHA/55/PRP/14);
- (f) Request UNEP to address comments raised by the Secretariat in this document in the global study on challenges associated with halon banking in developing countries (GLO/HAL/52/TAS/281) and submit the study to the Secretariat for clearance in advance of its release;
- (g) Consider whether any further activities are required from UNEP in light of the fact that after 1.5 years there has been little activity for UNEP's Global Chiller Project (GLO/REF/48/TAS/275) and to request an additional status report to be submitted to the 59th Meeting;
- (h) Request that an additional status report be prepared for the Global MDI workshops (GLO/ARS/52/TAS/282) and presented at the 59th Meeting, through which UNEP can indicate activities remaining under this project;
- (i) Request additional status reports:
 - (i) For the institutional strengthening (IS) projects contained in Tables 3 and 4 above;
 - (ii) To answer Secretariat questions with respect to the following IS projects: Palau (TTR/SEV/53/INS/05), Guyana (GUY/SEV/48/INS/13), and Iraq (IRQ/SEV/54/INS/01);
- (j) Request the Fund Secretariat to send a letter of possible cancellation for the IS project in Brunei Darussalam (BRU/SEV/43/INS/05), urging the

signing of the appropriate documents to support IS in Brunei Darussalam, and request a report on those efforts to the 59th Meeting;

- (k) Urge the hiring of the NOO for the IS project in Barbados (BAR/SEV/46/INS/13) and the signature of the project agreement as soon as possible, and request an additional status report on activities to the 59th Meeting;
- (l) Request that an additional status report be provided to the 59th Meeting on:
 - (i) The IS project in Peru (PER/SEV/37/INS/31) concerning administrative difficulties and their resolution;
 - (ii) The use of project preparation funding for NOU coordination in the IS project in Guinea Bissau (GBS/SEV/50/INS/09);
- (m) Request UNEP to clearly indicate advances separately from disbursements for activities in progress reports to the Multilateral Fund;
- (n) Consider off-setting those unaccounted funds versus any future approval for IS projects in Uganda (UGA/SEV/13/INS/02); and
- (o) Request UNEP to report on its mission to Korea DPR and the status of UNEP's ability to transfer funds into the country for project implementation.

(v) **UNIDO progress report**

Document UNEP/OzL.Pro/ExCom/58/14 contains the progress report of UNIDO for activities up to 31 December 2008 and the comments and recommendations of the Fund Secretariat on the report.

Issues to be addressed:

- US \$154.9 million has been approved for MYAs for UNIDO's implementation and there was a balance of US \$34.5 million at 31 December 2008;
- 60 MYAs are under implementation, five of which (approved over a year ago) have disbursed less than 20 per cent of the funds approved;
- Low levels of disbursement for several MYAs include TPMPs for Burundi, Eritrea, Guinea, Honduras, Mexico, Niger and Yemen;
- There may be a change in Yemen's MYA for hydrocarbon alternatives;
- There are seven projects classified with implementation delays that are subject to procedures for project cancellation;
- There have been delays in project preparation for the methyl bromide sector in Serbia and with respect to HPMP preparation in Bahrain, Bosnia and Herzegovina, Qatar, Saudi Arabia, Sudan and Yemen;
- Documents and/or documentation to facilitate the release of resources for institutional strengthening in Bosnia and Herzegovina and Qatar need to be signed; and
- There have been continued delays in halon banking activities in Bosnia and Herzegovina and Libyan Arab Jamahiriya.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Note UNIDO's progress report contained in UNEP/OzL.Pro/ExCom/58/14;
- (b) Request additional status reports on the following projects to be submitted to the 59th Meeting:
 - (i) TPMPs in Burundi, Eritrea, Guinea, Honduras, and Niger;
 - (ii) Project preparation in the fumigants sector (methyl bromide) in Serbia (YUG/FUM/45/PRP/26);
 - (iii) HPMP preparation activities in Bahrain (BAH/PHA/55/PRP/20), Bosnia and Herzegovina (BHE/PHA/55/PRP/23), Qatar (QAT/PHA/55/PRP/11), Saudi Arabia (SAU/PHA/55/PRP/05), Sudan (SUD/PHA/55/PRP/21) and Yemen (YEM/PHA/55/PRP/29);
 - (iv) Institutional strengthening in Bosnia and Herzegovina (BHE/SEV/43/INS/19);
 - (v) Institutional strengthening in Qatar (QAT/SEV/49/INS/08);
 - (vi) Halon banking project in Bosnia and Herzegovina (BHE/HAL/42/TAS/18);
 - (vii) Halon banking project in Libyan Arab Jamahiriya (LIB/HAL/47/TAS/26);
- (c) Note that UNIDO will report to the 59th Meeting on up to seven projects with implementation delays in 2008, including four projects that were classified as such in 2007;
- (d) Request the Government of Bosnia and Herzegovina to expedite the signature of the project document to facilitate the disbursement of funds for the institutional strengthening project (BHE/SEV/43/INS/19); and
- (e) Request the Government of Qatar to expedite the signature of the required agreements and provide all of the associated required documentation to facilitate the disbursement of funds for the institutional strengthening project (QAT/SEV/49/INS/08).

(vi) World Bank progress report

Document UNEP/OzL.Pro/ExCom/58/15 contains the progress report of the World Bank for activities up to 31 December 2008 and the comments and recommendations of the Fund Secretariat on the report.

Issues to be addressed:

- US \$566.4 million has been approved for multi-year agreements (MYAs) for World Bank implementation and there was a balance of US \$56.5 million at 31 December 2008;
- Twenty-seven MYAs are under implementation. Five MYAs (approved over a year ago) have disbursed less than 20 per cent of the funds approved (one of these is associated with grant agreement completion). An additional eight MYAs have large remaining balances and/or implementation difficulties;
- There are three projects classified with implementation delays that are subject to procedures for project cancellation;
- There are continued difficulties with the signing of grant agreements for some MYAs;
- There have been low levels of disbursement in three MYAs;
- There have been delays in the preparation of HCFC phase-out management plans (HPMPs);
- A methyl bromide project has been delayed; and
- The global chiller project is experiencing delays with respect to obtaining co-funding.

Action expected from the Executive Committee: the Committee may wish to:

- (a) Note the World Bank's progress report contained in UNEP/OzL.Pro/ExCom/58/15;
- (b) Request that additional status reports on the following projects be submitted to the 59th Meeting:
 - (i) National CFC phase-out management plan in Antigua and Barbuda (ANT/PHA/44/INV/10);
 - (ii) National CFC phase-out plan in Argentina (ARG/PHA/47/INV/148);
 - (iii) National ODS phase-out plan in Tunisia (TUN/PHA/49/INV/47);
 - (iv) HPMP preparation activities in People's Republic of China (CPR/PHA/55/PRP/467, CPR/PHA/55/PRP/468), Ecuador (ECU/PHA/55/PRP/40), the Philippines (PHI/PHA/55/PRP/84), Thailand (THA/PHA/55/PRP/151) and Vietnam (VIE/PHA/55/PRP/50);
 - (v) Argentina methyl bromide demonstration project (ARG/FUM/29/DEM/93);
 - (vi) Global Chiller project (GLO/REF/47/DEM/268); and
- (c) Note that the World Bank will report to the 59th Meeting on a total of three projects with implementation delays all of which had been classified as such in 2007.

(c) Evaluation of the implementation of the 2008 business plans

Document UNEP/OzL.Pro/ExCom/58/16 presents the evaluation of the 2008 business plans of the implementing agencies using the performance indicators adopted in decision 41/93, the revised weightings adopted by decision 47/51 for all agencies as well as the performance indicators adopted at the 48th Meeting for the Compliance Assistance Programme, the targets that were adopted for the 2008 business plans by the Executive Committee (decisions 54/7 to 54/10) and the agencies' progress and financial reports submitted to this Meeting. This document also presents a trend analysis for each of the nine performance indicators used in previous years' evaluations and the results of the qualitative assessment of the performance of implementing agencies based on input received from national ozone unit (NOU) officers. It concludes with the Secretariat's observations and recommendations.

Issues to be addressed:

- Implementing agencies' performance against their 2008 business plan performance indicators or against targets determined by decisions of the Executive Committee;
- Analysis of other quantitative performance indicators;
- UNEP completed 264 of the planned 295 special CAP assistance activities scheduled for 2008; 16 were not completed and it is unclear for the remaining 15 activities; and
- Qualitative assessment of satisfactory or highly satisfactory for implementing agencies' performance in 2008.

Action expected from the Executive Committee: the Committee may wish to note:

- (a) The evaluation of the implementing agencies' performance against their 2008 business plans as contained in UNEP/OzL.Pro/ExCom/58/16;
- (b) The quantitative assessment of the performance of the implementing agencies for 2008 on a scale of 100 as follows: UNDP (76), UNEP (88), UNIDO (95), and the World Bank (72);
- (c) That UNEP indicated that it had fully achieved the performance indicators approved in decision 48/7 for its Compliance Assistance Programme; and
- (d) That the implementing agencies (Canada, France, Germany, UNDP, UNEP, UNIDO and the World Bank) received satisfactory or highly satisfactory performance for the qualitative performance assessments by the National Ozone Units in the overall assessments of performance in 2008.

(d) Report on implementation of approved projects with specific reporting requirements

Document UNEP/OzL.Pro/ExCom/58/17 consists of progress reports on the implementation of the following projects: the national phase-out plan for Lebanon and the verification report of the CFC production phase-out programme for Venezuela. It also contains a request to review the methyl bromide (MB) phase-out targets stipulated in the revised agreed conditions in Morocco

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to:

Lebanon

- (e) Takes note of the progress report on the implementation of the fifth tranche of the national CFC phase-out plan in Lebanon;
- (f) Takes note of the verification report of the 2008 CFC consumption;
- (g) Approves the 2009-2010 annual implementation programme;

Morocco

- (h) Noting that the total MB phase-out in Morocco will be achieved in 2012 and that no additional funding is being requested for the phase-out of 58.7 ODP tonnes, adjust the schedule for the phase-out of methyl bromide in Morocco as shown in the table for the revised agreed level of methyl bromide consumption in Morocco;

Venezuela

- (i) Commend the Government of Venezuela and the World Bank for the good efforts made to comply with decision 54/15(a) and in successfully implementing the audit for 2008 to confirm the sustained cessation of CFC production at the PRODUVEN plant in Venezuela;
- (j) Request:
 - (i) The Government of Venezuela and the World Bank to submit the annual plan for 2009 to the Fund Secretariat for inclusion in the report on approved projects with special reporting requirements to be submitted to the 59th Meeting;
 - (ii) The World Bank to urge PRODUVEN to implement the measures it suggested to minimize losses, including a thorough assessment of leaks and an effort to produce the best possible vacuum in emptying vessels and hoses; and
 - (iii) The World Bank to continue the verification of the PRODUVEN facility for a report on 2009 activities to be submitted in time for consideration at the second meeting of 2010 to ensure the permanent closure of the CFC production capacity at the plant.

7. Project proposals

(a) Overview of issues identified during project review

Document UNEP/OzL.Pro/ExCom/58/18 contains five sections: an analysis of the number of projects and activities submitted by bilateral and implementing agencies to the 58th Meeting; policy issues identified during the project review process; projects and activities submitted for blanket approval; investment projects for individual consideration; and, activities and projects not required for compliance.

Issues to be addressed:

- Levels of funding for institutional strengthening projects beyond 2010; and
- Confidentiality of HCFC data reported under Article 7.

Action expected from the Executive Committee: The Executive Committee may wish to approve the list of projects recommended for blanket approval contained in Annex I of UNEP/OzL.Pro/ExCom/58/18 together with the conditions or provisos included in the corresponding project evaluation sheets and the conditions attached by the Executive Committee, as well as the following:

- (a) Approval of the agreement between the Government of Haiti and the Executive Committee for the terminal phase-out management plan contained in Annex I to document UNEP/OzL.Pro/ExCom/58/34 at a total amount in principle of US \$190,000 plus agency support costs of US \$24,700 for UNEP and US \$150,000 plus agency support costs of US \$13,500 for UNDP, and the first tranche for the project at the amount indicated in Annex I to this document; and
 - (b) Approval of implementation programmes associated with relevant tranches of multi-year projects.
- (b) Draft report on criteria and guidelines for the selection of ODS disposal projects (decision 57/6)**

[Text to be included in UNEP/OzL.Pro/ExCom/58/1/Add.2]

(c) Bilateral cooperation

Document UNEP/OzL.Pro/ExCom/58/20 provides an overview of requests from bilateral agencies, and whether they are eligible for approval by the Executive Committee in light of the maximum level of bilateral cooperation available for 2009. There are two requests that are fully addressed in this document.

Issues to be addressed: None.

Action expected from the Executive Committee: The Executive Committee may wish to:

- (a) Approve the requests for project preparation for the preparation of HCFC phase-out management plans for Kenya and Seychelles; and
 - (b) Request the Treasurer to offset the amount of US \$192,100 (including agency fees) against the balance of Germany's bilateral contribution in 2009 for the bilateral projects approved above.
- (d) Amendments to work programmes for 2009**
- (i) UNDP**

Document UNEP/OzL.Pro/ExCom/58/21 contains seven activities submitted by UNDP: four project preparation requests in the HCFC sector; two requests for renewal of institutional strengthening projects; and one request for technical assistance for resource mobilization. The requests for project preparation in the

HCFC sector were recommended for blanket approval and have therefore been considered under Agenda Item 7(a). The rest are for individual consideration.

Issues to be addressed:

- Requests for funding up to two years of the IS renewal projects for Colombia and Malaysia in the light of decision 57/36, and Agenda item 10; and
- Request for technical assistance for mobilising resources to maximise climate benefits of HCFC phase-out, in view of the lack of guidance from the Executive Committee on this issue, and in light of Agenda item 11.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- The requests for IS renewal for Colombia and Malaysia in light of decision 57/36(b), and once approved, the Executive Committee may also wish to express to the Governments of these countries the comments which appear in Annex I to document.UNEP/OzL.Pro/ExCom/58/21; and
- The proposal for resource mobilisation in light of the information presented by UNDP, and in line with the discussion of Agenda item 11, Facility for additional income from loans and other sources.

(ii) UNEP

Document UNEP/OzL.Pro/ExCom/58/22 contains 21 activities submitted by UNEP, including three requests for additional funds for HPMP preparation, ten requests for renewal of institutional strengthening projects, and eight proposals for new TPMPs, and TPMP and NPP tranches which are discussed in the relevant country project document. Eight of these activities were recommended for blanket approval and were considered under Agenda Item 7(a). Thirteen projects are recommended for individual consideration, 11 of which are considered under this work programme document.

Issues to be addressed:

- Request for funding of the phase II, year 2 of the institutional strengthening project for the Federated States of Micronesia on the condition that country programme data for 2008 is submitted to the 58th Meeting;
- Requests for funding up to two years of the IS renewal projects for nine countries in the light of decision 57/36, and Agenda item 10; and
- Request for additional project preparation for an HPMP for the Democratic Republic of Korea in light of decision 57/16(a), where UNEP is requested to confirm the means for disbursing these funds in the country.

Action expected from the Executive Committee: the Executive Committee may wish to consider:

- The approval of the institutional strengthening (IS) request for the Federated States of Micronesia for phase II, year 2, at the level of funding of US \$30,000 on the condition that country programme data for 2008 is submitted to the 58th Meeting;

- The requests for IS renewals for Afghanistan, Bhutan, Cambodia, Democratic Republic of the Congo, Kenya, Myanmar, Saint Vincent and the Grenadines, Samoa and Sudan in view of decision 57/36(b). Once approved, the Executive Committee may also wish to express to the Governments of these countries the comments which appear in Annex I to document UNEP/OzL.Pro/ExCom/58/22; and
- Consider the approval of the request for additional HPMP preparation funding for the Democratic Republic of Korea pending a report by UNEP on options for the transfer of financial resources to the Government of DPR Korea, in light of decision 57/16(c).

(iii) UNIDO

Document UNEP/OzL.Pro/ExCom/58/23 contains 14 activities submitted for funding by UNIDO including nine requests for additional HPMP preparation and HCFC investment project preparation, three IS renewal requests, one methyl bromide project and one technical assistance project for resource mobilization. Ten activities have been recommended for blanket approval and considered in agenda item 7(a). The requests for IS renewals and that for resource mobilization are for individual consideration.

Issues to be addressed:

- Requests for funding up to two years of the IS renewal projects for Mexico, the Syrian Arab Republic and Turkey in the light of decision 57/36, and Agenda item 10; and
- Request for technical assistance for mobilising resources to maximise climate benefits of HCFC phase-out, in view of the lack of guidance from the Executive Committee on this issue, and in light of Agenda item 11.

Action expected from the Executive Committee: the Committee may wish to consider:

- The requests for IS renewal for Mexico, the Syrian Arab Republic and Turkey in light of decision 57/36(b). Once approved, the Executive Committee may also wish to express to the Governments of these countries the comments which appear in Annex I to document UNEP/OzL.Pro/ExCom/58/23; and
- The proposal for resource mobilisation in light of the information presented by UNIDO, and in line with the discussion of Agenda item 11, Facility for additional income from loans and other sources.

(iv) World Bank

Document UNEP/OzL.Pro/ExCom/58/24 contains four activities submitted for funding by the World Bank: one request for additional preparation funds for an ODS pilot project in Mexico, two requests for IS renewal, and one technical assistance project for resource mobilization. Only the request for additional preparation funds for the ODS pilot project in Mexico is recommended for blanket approval and has been considered under agenda item 7(a). The rest are for individual consideration.

Issues to be addressed:

- Requests for funding up to two years of the IS renewal projects for Jordan and Thailand in the light of decision 57/36, and Agenda item 10; and
- Request for technical assistance for mobilising resources to maximise climate benefits of HCFC phase-out, in view of the lack of guidance from the Executive Committee on this issue, and in light of Agenda item 11.

Action expected from the Executive Committee: the Committee might wish to consider:

- The requests for IS renewal for Jordan and Thailand in light of decision 57/36(b). Once approved, the Executive Committee may also wish to express to the Governments of these countries the comments which appear in Annex I to document.UNEP/OzL.Pro/ExCom/58/24; and
- The proposal for resource mobilisation in light of the information presented by the World Bank, and in line with the discussion of Agenda item 11, Facility for additional income from loans and other sources.

(e) Investment projects

Document UNEP/OzL.Pro/ExCom/58/18 contains a list of six projects for individual consideration (see Table I). All other investment projects, both on-going and new activities, were recommended for blanket approval and were considered in Agenda item 7 (a).

Issues to be addressed: In Table 1 below, each of the six projects should be considered for approval individually. Project descriptions and the comments of the Secretariat can be found in the relevant country project document referred to in the table.

Table 1: List of projects for individual consideration

Country	Project	Agency	Issue	Ex/Com document
Foam sector				
Brazil	Pilot project to validate methylal as blowing agent in the manufacture of polyurethane foams (phase I)	UNDP	Validation of a technology for HCFC phase-out	58/27
Egypt	Validation/Demonstration of low cost options for the use of hydrocarbons as foaming agent in the manufacture of polyurethane foams	UNDP	Validation of a technology for HCFC phase-out	58/33
Phase-out plan				
Iraq	National phase-out plan (first tranche)	UNEP, UNIDO	Phase-out plan from a non-LVC country	58/36
Korea, DPR	National phase-out plan (fifth tranche)	UNEP	Reporting by UNEP on modalities for transferring of funds	58/37
Production sector				
India	CFC production sector gradual phase-out: 2009 annual implementation plan	World Bank	Import audit with the accelerated phase-out production plan not submitted	58/35
India	CTC phase-out plan for the consumption and production sectors: 2009 annual programme	World Bank	Quality of verification report. consumption in 2008 higher than the maximum allowable consumption under the Agreement	58/35

Action expected from the Executive Committee: the Committee may wish to consider whether to approve each of the six projects listed in the table above on the basis of the information provided in the relevant project proposal document including the Secretariat's comments, any additional documents circulated in accordance with decision 41/80 and, any additional information provided at the meeting by the Secretariat or the relevant implementing/bilateral agency.

8. Country Programmes

Document UNEP/OzL.Pro/ExCom/58/45 contains a country programme submitted on behalf of the Government of Iraq.

Issues to be addressed: None.

Action expected from the Executive Committee: The Committee may wish to:

- (a) Approve the Iraq country programme, noting that approval of the country programme does not denote approval of the projects identified therein or their funding levels. Approval of the Iraq country programme should be without prejudice to the operation of the Montreal Protocol's mechanism for addressing non-compliance; and
- (b) Request the Government of Iraq to present information annually to the Executive Committee on progress being made in the implementation of the country programme, in accordance with the decision of the Executive Committee on implementation of country programmes (UNEP/OzL.Pro/ExCom/10/40, para. 135). Using the approved format, the initial report covering the period 1 January 2009 to 31 December 2009 should be submitted to the Fund Secretariat no later than 1 May 2010.

9. Cost considerations surrounding the financing of HCFC phase-out:

- (a) **Prioritization of HCFC phase-out technologies to minimize other impacts on the environment (decision 57/33)**

[Text to be included in UNEP/OzL.Pro/ExCom/58/1/Add.2]

- (b) **Analysis of new approaches on second-stage conversions, determination of cut-off date and other outstanding HCFC policy issues (decision 57/34)**

[Text to be included in UNEP/OzL.Pro/ExCom/58/1/Add.2]

10. Institutional strengthening: Options for funding after 2010

Document UNEP/OzL.Pro/ExCom/58/48 contains a re-issued document on the review of the current funding arrangements for institutional strengthening (IS) and capacity building for Article 5 countries and analyses the demand for continued IS support vis-à-vis existing control measures of the Montreal Protocol. It also considers the implications of decision XIX/6 of the Nineteenth Meeting of the Parties, which imposed new obligations with respect to an accelerated HCFC phase-out, and provides the Executive Committee with options for funding IS projects beyond 2010.

Issues to be addressed:

- Maintenance funding for overall institutional strengthening support at current levels;
- Re-balancing institutional strengthening support towards the provision of funding through the project management unit (PMU) established under an HPMP; and
- Performance indicators.

Action expected from the Executive Committee: the Committee may wish to continue the deliberations on funding for IS beyond 2010, taking into account the following:

- Support for establishment of and maintenance of NOUs has been generally agreed as a success story for the Fund and has made a major contribution to achievement of compliance;
- The cost of IS, at a current average of around US \$7 million per year, is modest and increases since the inception of the Fund have been minimal;
- It would appear that in one form or another, funding support for IS needs to continue to ensure all phase-out goals are achieved in a sustainable manner (including HCFCs and possible future HFCs);
- Once all phase-out goals under the Montreal Protocol have been secured, there is an expectation that Governments will eventually have to take over responsibility for managing National Ozone Units (NOUs) and to facilitate this, the gradual transfer of funding for the NOUs from the Multilateral Fund to the relevant national government should be considered;
- The only realistic option for modification of current arrangements would be for IS funding to be viewed vis-à-vis HPMP project management unit (PMU) cost, with a view to examining the re-balancing of funding between the two institutions; and
- If this were to occur, the IS funding level available to national governments might not change significantly from current levels for any A5 country (and should definitely not decrease for the 95 countries currently receiving the US \$30,000 per annum minimum funding).

11. Special funding facility for additional income from loans and other sources (decisions 55/2 and 57/37)

Document UNEP/OzL.Pro/ExCom/58/49 explores possible uses for a special Facility to house additional income and loans, as well as possible legal, structural and administrative issues related to such a facility. It concludes that the Multilateral Fund is not precluded from funding other activities (such as non-agreed incremental costs) provided they are related to ODS phase-out required for control measure purposes, and that there do not appear to be any structural or administrative issues associated with housing a separate structure within the Multilateral Fund. It further concludes that the risk of exploring measures related to the Special Facility further is minimal and returns could be substantial, and recommends the establishment of the Facility on an interim basis. It suggests that resource mobilization might be approved from the regular resources of the Fund conditioned on meeting proposed criteria. It suggests piloting a limited number of projects to be covered by possible additional voluntary contributions. It suggests additional study of the issues related to carbon funding, UN rules with respect to risk associated with carbon credits, and access to carbon markets.

Issues to be addressed:

- Establishing an interim Facility;
- Approving resource mobilization requests according to criteria;
- Criteria for resource mobilization;

- Seeking additional voluntary contributions from interested Parties in respect of a limited number of pilot projects; and
- Need for additional study.

Action expected from the Executive Committee: The Committee may wish to consider:

- (a) Noting the report on the Facility for additional income from loans and other sources as contained in UNEP/OzL.Pro/ExCom/58/49;
- (b) Establishing the Facility on an interim basis to provide additional climate and environmental benefits associated with ODS phase-out projects and that could initially house additional income from voluntary contributions over and above pledged contributions to the Multilateral Fund;
- (c) Approving:
 - (i) Resource mobilization activities with a view to piloting the Facility and establishing the internal mechanisms that could be used to develop the Facility further from Fund resources conditional on criteria specified in (c) (ii) below;
 - (ii) Criteria for requests from implementing agencies for resource mobilization to provide climate and environmental benefits beyond those provided through agreed incremental costs requiring that:
 - a) The results of the resource mobilization efforts should be associated with one or more HPMPs to be submitted by the agency;
 - b) Such proposals should result in projects (including monitoring and verification) that will make them eligible for carbon credits, the financial benefit of which would accrue, at least in part, to the Multilateral Fund in exchange for the advance of the capital required for the enhanced climate and environment benefit;
- (d) Mandating the Secretariat, with the assistance of the Chairman, to seek additional funds from interested donors to support a limited number of pilot projects through voluntary contributions for the Interim Facility to augment those currently available from the return of the Thai chiller project and report to the 59th Meeting on progress;
- (e) Requesting the Secretariat:
 - (i) And the Treasurer to study and report to the 60th Meeting on the implications of optimally managing credits for climate change and other environmental benefits from the global carbon markets with a view toward operationalising this component of the Facility; and
 - (ii) To seek the advice of external carbon market specialists on how the carbon market might be best employed in the longer term in the context of the Facility for input into the report foreseen for the 60th Meeting.

12. Report on emission reductions and phase-out of CTC (decision 55/45)

[Text to be included in UNEP/OzL.Pro/ExCom/58/1/Add.2]

13. Provisional 2008 accounts

Document UNEP/OzL.Pro/ExCom/58/51 presents the 2008 financial statements of the Multilateral Fund, the four implementing agencies and the Secretariat.

Issues to be addressed: None

Action expected from the Executive Committee: the Committee may wish to:

- (a) Take note of the 2008 provisional accounts of the Fund;
- (b) Note actions taken by the Treasurer to reflect adjustments resulting from the reconciliation of the 2007 accounts exercise;
- (c) Note that the 2008 final accounts of the Fund will be submitted to the Committee at the 59th Meeting; and
- (d) Note that UNEP and the Multilateral Fund are subject to an external audit in June - July and the external auditor's visit to Montreal from 15 to 26 June 2009.

14. Draft Report of the Executive Committee to the Twenty-first Meeting of the Parties to the Montreal Protocol

UNEP/OzL.Pro/ExCom/58/52 contains the draft report of the Executive Committee to the next Meeting of the Parties, document that summarizes the most important decisions taken by the Committee at its 57th Meeting.

Issues to be addressed: Since the reporting period also includes the 58th Meeting, the report will need to be updated immediately after the Report of the 58th Meeting of the Executive Committee is finalized.

Action expected from the Executive Committee: after considering the draft report, the Executive Committee may wish to authorize the Secretariat to finalize the report in the light of the discussions held and decisions taken at the 58th Meeting of the Executive Committee, as well as any comments made on this item by Executive Committee members.

15. Other matters

Any issues that could be raised during the meeting.
