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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Sixtieth Meeting  
Montreal, 12-15 April 2010

**BILATERAL AGENCIES BUSINESS PLANS FOR 2010-2012**

This document includes:

- (1) the consolidation of the business plans submitted by bilateral agencies; and
- (2) the business plans of Canada and Germany.

## COMMENTS AND RECOMMENDATIONS FROM THE FUND SECRETARIAT

### Introduction/Background

1. Bilateral cooperation may be considered as a contribution to the Multilateral Fund up to a value of 20 per cent of a country's annual pledge to the Fund and consistent with any criteria specified by decisions of the Parties. The Executive Committee decided to allow flexibility in the year for which bilateral projects would be credited, provided that bilateral agencies submitted their work plans at the beginning of the year in time for the Secretariat to transmit them to the Executive Committee for consideration during discussions of the business plans at the Committee's first meeting of the year (decision 25/13(a)).

2. This document contains the business plans for bilateral cooperation. As is the usual practice, the Fund Secretariat sent a planning fax to those countries that have had bilateral programmes requesting the submission of business plans for the 2010-2012 triennium. Bilateral agencies were also invited to the inter-agency coordination meeting in January 2010. Representatives of the Governments of Canada, Germany, Italy and Japan attended the meeting.

3. The following non-Article 5 countries provided business plans, most of which consist solely of business plan tables: Canada, Czech Republic, France, Germany, Italy and Japan. Canada and Germany's business plan narratives are included as Annexes I and II to this document.

4. Based on the submitted business plans, bilateral agencies intend to conduct activities during 2010 (excluding regional projects) in 29 Article 5 countries; namely: Afghanistan, Algeria, Argentina, Bolivia (Plurinational State of), Botswana, Brazil, the Central African Republic, Chile, People's Republic of China, Colombia, Croatia, Ghana, India, the Islamic Republic of Iran, Kenya, the Lao People's Democratic Republic, Lesotho, Liberia, Mauritius, Mexico, Mongolia, Namibia, Nigeria, Papua New Guinea, Seychelles, Thailand, Uruguay, Yemen and Zimbabwe.

5. Table 1 presents, by year, the value of activities included in the business plans according to categories "required for compliance" and "not required" according to the Model rolling three-year phase-out plan.

Table 1

### RESOURCE ALLOCATION IN THE BUSINESS PLAN OF BILATERAL AGENCIES (2010-2014) (US \$000s)

Required/Not required by Model	2010	2011	2012	2013	2014	Total (2010 to 2014)
Required for compliance (MYAs and Standard costs)	2,379	200	1,444			4,024
Required for compliance (HCFCs)	9,249	9,568	7,782			26,599
Not required for compliance (Resource mobilization)	362					362
Not required for compliance (ODS disposal)	1,619	2,000	1,000			4,619
Not required for compliance (Chiller, Illegal trade, CTC, MBR, MDI, Studies, Workshops)	153					153
<b>Grand total</b>	<b>13,762</b>	<b>11,768</b>	<b>10,226</b>	<b>0</b>	<b>0</b>	<b>35,756</b>

6. The bilateral agencies had included activities in their business plans valued at US \$13.76 million in 2010 and with a total value of US \$35.76 million over the period 2010 to 2014.

**MYAs and standard costs**

7. Table 2 presents information on bilateral agencies' multi-year agreements (MYAs), new methyl-bromide (MBR) activities, terminal phase-out management plans (TPMPs), institutional strengthening (IS), and core unit activities that are considered required for compliance.

Table 2

**REQUIRED FOR COMPLIANCE FOR MYAS AND STANDARD COSTS (2010 to 2014)**  
(US \$000s)

Required by Model	2010	2011	2012	2013	2014	Total (2010 to 2014)
Approved multi-year	2,312	200	1,444			3,956
New MBR activities						0
TPMP						0
IS	68					68
Core unit						0
<b>Total (required for compliance for MYAs and standard costs)</b>	<b>2,379</b>	<b>200</b>	<b>1,444</b>	<b>0</b>	<b>0</b>	<b>4,024</b>

8. The value of annual tranches that will be submitted in 2010 to 2012 are included for Canada, France, Germany and Spain, despite the fact that France did not include some multi-year projects and Spain did not submit a business plan. It should be noted that traditional bilateral donors, such as Australia, Finland, Portugal, Spain, Switzerland, the United Kingdom, and the United States of America did not submit bilateral business plans and the total value of bilateral activities could increase in the event of such submissions.

**COMMENTS ON BILATERAL BUSINESS PLANS**

9. The Fund Secretariat reviewed each bilateral donor's business plan and provided comments on several of the proposed activities. This section summarizes some of the information contained in the bilateral business plans, by donor country.

**Canada**

10. Canada's 2010-2012 business plan is contained in Annex I. Twenty per cent of Canada's pledged contributions for 2010 amounts to US \$963,805. Table 3 presents a summary of the resource allocation in Canada's 2010-2014 business plan.

Table 3

**ALLOCATION OF RESOURCES FOR CANADA (US \$)**

Required by Model	2010	2011	2012	2013	2014	Total (2010 to 2014)
Required for compliance (MYAs and Standard costs)	884,395		226,000			1,110,395
Required for compliance (HCFCs)		226,000				226,000
<b>Grand total</b>	<b>884,395</b>	<b>226,000</b>	<b>226,000</b>	<b>0</b>	<b>0</b>	<b>1,336,395</b>

11. Canada had included activities valued at US \$884,395 in 2010 and a total value of US \$1,336,395 over the period 2010 to 2014.

Comments

12. Canada has included US \$1,110,395 in its 2010-2012 business plan for annual tranches of three approved MYAs, including tranches for: national phase-out plan (NPP) for Chile (US \$295,495 in 2010), MBR sector in Mexico (US \$555,000 in 2010 and US \$226,000 in 2012) and TPMP in Uruguay (US \$33,900 in 2010). The Secretariat's records indicate a value of US \$243,922 more than indicated in Canada's business plan for the methyl bromide MYA in Mexico. The Executive Committee's consideration of a decision on MYAs might have an impact on Canada's business plan.

13. Canada has also included one activity for HCFC phase-out management plan (HPMP) in Colombia valued at US \$226,000 in 2011. While there was no tonnage associated with this activity, the value of it may be impacted by a decision of the Executive Committee with respect to HCFCs for non-low-volume consuming (non-LVC) countries.

**Czech Republic**

14. Czech Republic's 2010-2012 business plan includes one activity valued at US \$91,000 for 2010. Twenty per cent of the Czech Republic's pledged contributions for 2010 amounts to US \$90,974. The activity is within the Czech Republic's allocation due to rounding since the project value is calculated to the nearest US \$1,000. Table 4 presents a summary of the resource allocation in the Czech Republic's 2010-2014 business plan.

Table 4

**ALLOCATION OF RESOURCES FOR THE CZECH REPUBLIC (US \$)**

<b>Not required by Model</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total (2010 to 2014)</b>
Not required for compliance (Chiller, Illegal trade, CTC, MBR, MDI, Studies, Workshops)	91,000					91,000
<b>Total</b>	<b>91,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>91,000</b>

Comments

15. The enforcement network for the East European and Central Asian networks is not required by the compliance oriented/three-year phase-out model. A proposal for funding this activity is included in both the Bilateral cooperation document (UNEP/OzL.Pro/ExCom/60/16) and the UNEP work programme document (UNEP/OzL.Pro/ExCom/60/18) as it is a planned joint project.

## France

16. France has planned activities for the phase-out of ozone depleting substances (ODS) amounting to US \$1.2 million during the 2010-2012 triennium. Twenty per cent of France's pledged contributions for 2010 amounts to US \$2,039,952. Table 5 presents a summary of the resource allocation in France's 2010-2014 business plan.

Table 5

### ALLOCATION OF RESOURCES FOR FRANCE (US \$)

Required/Not required by Model	2010	2011	2012	2013	2014	Total (2010 to 2014)
Required for compliance (MYAs and Standard costs)	207,355					207,355
Not required for compliance (ODS disposal)		1,000,000				1,000,000
<b>Total</b>	<b>207,355</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,207,355</b>

17. France had included activities valued at US \$207,355 in 2010 and with a total value of US \$1,207,355 over the period 2010 to 2014.

### Comments

18. France did not submit business plans that include approved multi-year agreements in the Central African Republic and the Lao People's Democratic Republic. However, the Secretariat has added these activities to France's business plan since during 2010, France will submit requests for tranches for the approved MYAs in the Central African Republic (valued at US \$50,850) and in the Lao People's Democratic Republic (valued at US \$156,505).

19. France has included one ODS disposal activity for Turkey valued at US \$1 million in 2011 that will result in the destruction of 150 ODP tonnes. It is a joint UNIDO/France project that has a value within the cost-effectiveness level for demonstration projects. Any decision taken by the Committee with respect to a window for ODS destruction might apply to this activity.

20. It should also be noted that France has submitted a request for US \$1 million for an ODS disposal activity that was not included in its business plan. The Executive Committee may wish to take this into account with respect to any decision on a funding window for ODS disposal at this meeting.

## Germany

21. Germany's 2010-2012 business plan is contained in Annex II. Twenty per cent of Germany's pledged contributions for 2010 amounts to US \$2,776,808. Table 6 presents a summary of the resource allocation in Germany's 2010-2014 business plan.

Table 6

### ALLOCATION OF RESOURCES FOR GERMANY (US \$)

Required by Model	2010	2011	2012	2013	2014	Total (2010 to 2014)
Required for compliance (MYAs and Standard costs)	394,733	200,000	325,325			920,058
Required for compliance (HCFCs)	3,872,900	4,660,000	3,400,000			11,932,900
<b>Grand total</b>	<b>4,267,633</b>	<b>4,860,000</b>	<b>3,725,325</b>	<b>0</b>	<b>0</b>	<b>12,852,958</b>

22. Germany had included activities valued at US \$4.27 million in 2010 and with a total value of US \$12.85 million over the period 2010 to 2014.

Comments

23. Germany's business plan for 2010 contains activities valued at US \$4,267,633. For 2011 it has included activities value at US \$4,860,000. This is in addition to US \$2,036,929 approved for projects in 2009, resulting in a total value of US \$11,164,562 for the 2009-2011 triennium. Twenty per cent of Germany's pledged contributions for the triennium is US \$8,330,425. Germany is therefore exceeding the maximum level of bilateral contributions by US \$2,834,137. The Committee may wish to recall that a similar situation arose for Germany in the previous two triennia, which led to the need to defer part of the funding for the agreed annual tranches for MYAs until the next triennium.

24. Germany has incorporated US \$920,058 in its 2010-2012 business plan for annual tranches of three approved MYAs including tranches for the TPMP for Botswana (US \$56,500 in 2010, US \$200,000 in 2011 and US \$100,000 in 2012); the methyl bromide sector in Yemen (US \$225,325 in 2010 and 2012); and the TPMP in Zimbabwe (US \$45,108). The Executive Committee's consideration of funding for TPMP tranches after 2010 might have an impact on Germany's business plan. Moreover, the amount for the TPMP in Botswana is US \$300,000 above that in the Secretariat's records. The Executive Committee's decision with respect to MYAs might also have an impact on Germany's business plan.

25. Germany has also included US \$67,800 for institutional strengthening during 2010 for Papua New Guinea. This value is consistent with that in the Model rolling three-year phase-out plan.

26. Although the Model indicates that the level of ODS to be phased-out included by Germany is higher than needed for Seychelles, the tonnage for Seychelles in the business plan is based on its 2008 consumption and does not represent an accelerated phase-out. Germany does not cover any countries in its business plans that have funding for accelerated HCFC phase-out.

27. Germany has included activities valued at a total of US \$162,900 for HCFC project preparation (including investment and phase-out management plan activities) in its 2010 business plan. The value of HCFC project preparation activities exceeds the level allowed by the relevant decisions, where Germany and other agencies are involved only for Afghanistan. Any decision taken by the Executive Committee in the context of adjusting business plans to correspond to guidelines for HCFC preparation may apply to Germany's business plan.

28. Germany also included activities valued at a total of US \$4.27 million for HPMPs. Germany did not propose any phase-out levels to cover its project components of HPMPs. The Executive Committee's consideration of funding for the HCFC servicing sector for LVC countries and HCFCs for non-LVC countries might have an impact on Germany's business plan.

## Italy

29. Italy has planned activities for the phase-out of ODS during the 2010-2012 triennium amounting to US \$2 million. Twenty per cent of Italy's pledged contributions for 2010 amounts to US \$1,644,329. Table 7 presents a summary of the resource allocation for Italy that is included in the Consolidated Business Plan for 2010-2014.

Table 7

### ALLOCATION OF RESOURCES FOR ITALY (US \$)

Required/Not required by Model	2010	2011	2012	2013	2014	Total (2010 to 2014)
Required for compliance (HCFCs)	875,750					875,750
Not required for compliance (Resource mobilization)	361,600					361,600
Not required for compliance (ODS disposal)	737,000					737,000
Not required for compliance (Chiller, Illegal trade, CTC, MBR, MDI, Studies, Workshops)	62,150					62,150
<b>Total</b>	<b>2,036,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,036,500</b>

30. Italy had included activities valued at US \$2.04 million in 2010 totalling US \$2.04 million over the period 2010 to 2014. This level of funding exceeds the annual amount allowed for Italy. Since Italy provided US \$152,550 for its bilateral activities in 2009, this amount, plus planned activities in 2010 do not exceed the three-year amount.

### Comments

31. Italy has planned activities valued at a total of US \$875,750 for HCFCs in its 2010 business plan. The Executive Committee's consideration of funding for the HCFC servicing sector for LVC countries and HCFCs for non-LVC countries might have an impact on Italy's business plan.

32. An activity for resource mobilization has been included in the business plan valued at US \$361,600. This request is considered in the context of Bilateral Cooperation (UNEP/OzL.Pro/ExCom/60/16) and in the context of the paper on a Special Funding Facility (UNEP/OzL.Pro/ExCom/60/50).

33. Italy has included one ODS disposal activity for Algeria amounting to US \$737,000 in 2010 that will result in the destruction of 50 ODP tonnes. It is a joint UNIDO/Italy project that has a value within the cost-effectiveness level for demonstration projects. Any decision taken by the Committee with respect to a window for ODS destruction might apply to this activity.

34. Italy has also included a methyl bromide technical assistance activity in its business plan for 2010 valued at US \$62,150. This activity is not considered to be required for compliance and the Executive Committee may wish to decide whether to maintain it.

**Japan**

35. Japan has planned activities for the phase-out of ODS during the 2010-2012 triennium amounting to US \$16.4 million. Twenty per cent of Japan's pledged contributions for 2010 amounts to US \$5,382,029. Table 8 presents a summary of the resource allocation in Japan's 2010-2014 business plan.

Table 8**ALLOCATION OF RESOURCES FOR JAPAN (US \$)**

<b>Required/Not required by Model</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total (2010 to 2014)</b>
Required for compliance (HCFCs)	4,500,000	4,682,000	4,382,000			13,564,000
Not required for compliance (ODS disposal)	882,000	1,000,000	1,000,000			2,882,000
<b>Total</b>	<b>5,382,000</b>	<b>5,682,000</b>	<b>5,382,000</b>	<b>0</b>	<b>0</b>	<b>16,446,000</b>

Comments

36. Japan's business plan covers activities valued at a total of US \$4.5 million for HCFCs in 2010. The HCFC activities include: four demonstration projects valued at US \$2.8 million, two technical assistance projects valued at US \$300,000, three investment projects valued at US \$1.34 million and one project preparation valued at US \$60,000. Japan did not include any ODS phase-out levels for its project components of HPMPs. The Executive Committee's consideration of funding for the HCFC servicing sector for LVCs and HCFCs for non-LVCs might have an impact on Japan's business plan.

37. Three ODS disposal activities are included valued at US \$882,000 in 2010. Japan did not propose any phase-out levels for its ODS disposal projects. Any decision taken by the Committee with respect to a window for ODS destruction might apply to this activity.

**Spain**

38. Although no business plan was submitted, during 2010, Spain will submit a request for a tranche for the approved MYA in Mexico valued at US \$893,000. Twenty per cent of Spain's pledged contributions for 2010 amounts to US \$960,892. Table 9 presents a summary of the resource allocation for Spain that is included in the Consolidated Business Plan for 2010-2012.

Table 9**ALLOCATION OF RESOURCES FOR SPAIN (US \$)**

<b>Required by Model</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Total (2010 to 2014)</b>
Required for compliance (MYAs and Standard costs)	893,000					893,000
<b>Total</b>	<b>893,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>893,000</b>



**RECOMMENDATIONS**

39. The Executive Committee may wish to consider noting with appreciation the 2010-2012 business plans on bilateral cooperation submitted by Canada, Czech Republic, France, Germany, Italy and Japan as addressed in UNEP/OzL.Pro/ExCom/60/8 and taking into account any modifications based on consideration of the following issues and activities addressed in the context of the Consolidated Business Plan:

- (a) The values of multi-year agreements (MYAs);
- (b) Terminal phase-out management plan (TPMP) activities after 2010;
- (c) HCFC tonnage;
- (d) HCFC demonstration projects;
- (e) HCFC servicing sector in low-volume-consuming (LVC) countries;
- (f) HCFC activities for non-LVC countries;
- (g) ODS disposal activities including the US \$1 million for ODS disposal that was not included in France's business plan;
- (h) Other activities not required for compliance: methyl-bromide (MBR) technical assistance activity in Italy's business plan.

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## Annex I

### CANADA'S 2010-2012 BUSINESS PLAN UNDER THE MULTILATERAL FUND

#### 1. INTRODUCTION

During the 2010-2012 triennium, Canada intends to submit requests for final tranches of two approved CFC Terminal Phase-out Plans (TPMPs), two tranches of an approved methyl bromide phase-out project in Mexico, and several components of HCFC Phase-out Management Plans (HPMPs) to be implemented in cooperation with other implementing agencies. At this point, only two countries have been selected for HPMP projects, but it is possible that more will be identified later in the triennium. During 2010, Canada will also aim to complete all other ongoing projects.

#### 2. PROJECTS TO BE SUBMITTED DURING 2009-2011

##### **Planned Submissions in 2009:**

##### **Chile: Servicing Sector TPMP, 2<sup>nd</sup> Tranche**

The Chile Servicing Sector Terminal Phase-out Plan was approved at the 55<sup>th</sup> ExCom meeting, with Canada as sole implementing agency. In principle, a total of US \$437,500 was approved for Canada, to be provided in two tranches. The first tranche, of US \$176,000, was approved at the time the phase-out plan was approved and is under implementation. The second tranche, of US \$261,500, has been submitted to the 60<sup>th</sup> ExCom meeting.

Planned contribution in 2010: US \$261,500 plus US \$33,995 in support costs

ODP to be phased out in 2010: 124.3 ODP tonnes.

Date of submission: 60<sup>th</sup> Meeting of ExCom

##### **Chile: HPMP, Components of 1<sup>st</sup> Tranche**

UNDP is the lead agency for the preparation and implementation of Chile's HPMP. It has been agreed with the country and the agency that Canada will be cooperating agency in the implementation stage, but the specific components Canada would implement have yet to be decided, as HPMP preparation is not yet sufficiently advanced. At this stage, the value of Canada's contribution to the project and the tonnage of HCFCs to be covered are included in UNDP's business plan in order to avoid double-counting.

##### **Uruguay: TPMP, 3<sup>rd</sup> Tranche**

The TPMP for Uruguay was approved at the 50<sup>th</sup> ExCom meeting, with UNDP as lead agency and Canada as the cooperating agency. In principle, a total of US \$232,000 was approved for Canada, to be provided in three tranches. The first tranche for the Canadian Component, US \$160,000, was approved at the time of the TPMP approval. The second tranche for the Canadian component, of US \$42,000, was approved at the 56<sup>th</sup> ExCom meeting in 2008. The first two tranches were or are being used to set up training and certification in good refrigeration practices for technicians, as well as to initiate activities within the customs authorities to enforce the CFC import licensing system. The third and final tranche is expected to be requested at the 60<sup>th</sup> ExCom meeting in 2010.

Planned contribution in 2010: US \$30,000 plus US \$3,900 in support costs

ODP to be phased out in 2010: n/a (to be included in UNDP's components)

Planned date of submission: 60<sup>th</sup> Meeting of ExCom

**Mexico: Methyl Bromide National Phase-out Plan, 2nd Tranche**

UNIDO, Canada, Italy and Spain are currently implementing a methyl bromide (MB) phase-out plan to assist Mexico in completely phasing out its consumption of MB. Canada is responsible for activities related to MB phase-out in the storage sector. The first tranche of the project, of US \$500,000, was approved at the 54<sup>th</sup> ExCom Meeting at the time of the project approval. The second tranche has been submitted to 60<sup>th</sup> ExCom meeting by UNIDO, as lead implementing agency for the project.

Planned contribution from Canada in 2010: US \$500,000 plus US \$55,000 in support costs  
ODP to be phased out in 2010 and 2011: 35 ODP tonnes  
Date of submission: 60<sup>th</sup> Meeting of ExCom

**Planned submissions in 2011**

**Colombia: Customs Officers Training Component in HPMP**

UNDP is the lead agency for the preparation and implementation of Colombia's HPMP. It has been agreed with the agency and the country that Canada will be cooperating agency and in charge of implementing a component of the HPMP focused on the training of customs officers. The planned contribution from Canada for this component is US \$200,000, plus US \$26,000 in support costs. All HCFC tonnage associated with the HPMP is included in UNDP's business plan.

**Planned submissions in 2012**

**Mexico: Methyl Bromide National Phase-out Plan, 3rd Tranche**

It is expected that the third tranche of this MB phase-out project, briefly described above, will be submitted in 2012.

Planned contribution from Canada in 2012: US \$200,000 plus US \$26,000 in support costs  
ODP to be phased out in 2010 and 2011: 35 ODP tonnes  
Date of submission: TBD

**3. UPDATE ON CONTINUED IMPLEMENTATION OF APPROVED PROJECTS IN 2010**

**Bolivia: Terminal Phase-out Management Plan (TPMP), 2<sup>nd</sup> Tranche**

This TPMP, jointly implemented with UNDP, was approved at ExCom 51 to assist Bolivia in completely phasing out CFC and CTC. The second and final tranche was approved at ExCom 57 and is under current implementation. The first tranche was completed in 2009 and the second tranche, including final training phases for customs officers and awareness-raising activities, is expected to be completed prior to the end of 2010.

**Burkina Faso: TPMP, 2<sup>nd</sup> Tranche**

The Canadian component of this TPMP (2<sup>nd</sup> tranche), co-implemented with UNEP, was approved at the 54<sup>th</sup> meeting and has been nearly completed. Closing of the project is expected by end of March 2010.

**Chile: Servicing Sector TPMP for CFCs, 1<sup>st</sup> Tranche**

This TPMP was approved at ExCom 55 and the first tranche has been under implementation since the beginning of 2009. Most activities are expected to be completed by the middle of 2010.

These include principally the conversion of small commercial refrigeration systems under an incentive programme and training of an additional 120 technicians. One activity, involving the development and implementation of a certification system for refrigeration technicians, is expected to only be completed by the end of 2010.

**Cuba: National Phase-out Plan (NPP) for CFCs, 2<sup>nd</sup> tranche**

This NPP, jointly implemented with UNDP, was approved at the 43<sup>rd</sup> ExCom meeting to eliminate Cuba's remaining unfunded CFC consumption, all in the refrigeration and air conditioning sector. Only two tranches of the NPP included components for Canada's implementation. Activities under the first tranche were completed. Activities under the second tranche are nearly completed. As planned, a final procurement of servicing and retrofitting tools was undertaken within the in 2009. However, there are still some minor public awareness and training activities to be conducted by Cuba. These activities have been delayed for several years and Canada is working with Cuba to finalize them as soon as possible.

**Jamaica: Technical Assistance to Phase Out Methyl Bromide**

This project was approved at ExCom 47 and aimed to phase out Jamaica's remaining non-QPS methyl bromide (MB) consumption of 1.5 ODP T, mostly concentrated in the storage sector, except for consumption associated with foreign ownership. The project was essentially completed in 2009, but Canada is awaiting final reports from Jamaica to close the project.

**Latin American Customs Enforcement Network**

Canada and UNEP are co-implementing a regional project in Latin America to create an ODS Customs Enforcement Network. The purpose of the project is to increase the ability of customs offices in the region to detect and stop the illegal trade of ODS through information sharing, networking and regional cooperation. To date, the project has established focal points in national customs offices in all participating countries, implemented a workshop among these focal points to share intelligence and brainstorm on regional initiatives, and conducted a study analyzing ODS trade patterns and risks in the region. In 2010, the final activity under the project is to initiate the development of a prior informed consent procedure for ODS traded within the region. While the project was approved on the understanding that up to two additional phases could be considered for funding by the ExCom, Canada does not intend to participate in any additional phases.

**Mexico: National Methyl Bromide Phase-out Plan, 1<sup>st</sup> tranche**

UNIDO, Canada, Italy and Spain are currently implementing a MB phase-out plan to assist Mexico in completely phasing out its consumption of MB. Canada is responsible for activities related to MB phase-out in the storage sector. The first tranche of the project, of US \$500,000, was approved at the 54<sup>th</sup> ExCom Meeting at the time of the project approval. Initiation of activities was delayed for various reasons, including the need to await the results of a previously approved technical assistance project. However, implementation began in 2009 and it is planned that a majority of activities will be completed during 2010. These activities include principally assisting a specific number of users of methyl bromide convert to alternative post-harvest pest protection methods.

**Saint Lucia: TPMP, 1<sup>st</sup> and 2<sup>nd</sup> Tranches**

The first tranche of this TPMP was approved for Canadian implementation at ExCom 52 in 2007 and is almost completed. One last activity, the finalization of updated training manual for refrigeration technicians took longer than planned and is now scheduled for completion by end of March 2010. The second tranche under the TPMP was approved at ExCom 57 and is under current implementation. Activities to be completed in 2010 include: official registration of

technicians association, conducting final phases of technicians training and provision of a final batch of tools.

**Uruguay: TPMP, 2<sup>nd</sup> Tranche**

The first tranche for this project, co-implemented with UNDP (lead agency), was approved at ExCom 50, and is completed. The second tranche, approved at ExCom 56, is under current implementation. The majority of activities, which involve training of technicians, should be completed by the middle of 2010.

## PROKLIMA INTERNATIONAL

### Germany's Business Plan 2010 – 2012

#### Narrative

#### General remarks

**Cost estimates:** Even at this stage in the preparation of the HPMPs the envisioned investment activities are not yet sufficiently certain. Therefore only rough estimates are provided in this business plan. Reliable numbers will be provided after finalization of the HPMPs, later.

The total cost estimates provided here are over and above the maximum amount available from the 20% bilateral contribution from Germany. The reason for this over-planning is, as was explained before, that Germany is by law obliged to exactly contribute 20% of its contribution to the Multilateral Fund bilaterally through projects approved by ExCom. In order to achieve this, such over-planning is necessary. Germany will, as in previous triennia, ensure that by doing this no A5 country will be disadvantaged and that no compliance targets will be compromised.

**ODP consumption figures:** Without finalized HPMPs, it was so far not possible to define all targeted HCFC consumption in agreement with the partner countries. We therefore still omitted them from the business plan table to avoid any unreliable statements. We expect to supply these data latest with the submission of the respective HPMPs.

**Estimates after 2012:** Again it was so far not possible for us to adequately reflect in this business plan any consumption and cost scenarios after 2012. This information will be supplied as soon as available in the context of the HPMPs.

**Cooperation with IAs:** In some cases (as pointed out where applicable) cooperation of other Implementing Agencies will be needed where Germany's limited bilateral funding is insufficient to cover all eligible costs required for compliance. There is already a tacit agreement between Germany and the Agencies for such cooperation. However, it was so far not possible to determine exactly the activities and amounts which would be implemented by the other agencies, with the result that no respective activities could be entered into the agencies actual business plans.

Germany is aware of this deficit and would welcome a discussion and possible solution regarding this situation.

#### Afghanistan

#### Project Preparation for an investment activity under the HPMP

During the survey conducted by UNEP a manufacturer of refrigeration equipment was identified. The company, Qasr Yakh, is located in the city of Herat. It is producing refrigeration equipment on order using self made as well as imported components. Its products are mainly bottle coolers, fresh food display cabinets and small commercial freezers.

In order to provide for a more detailed analysis of this company and any conversion options, a request is made for additional preparation funds based on ExCom decision 56/16 (f) (i).

#### HPMP activities

Since UNEP as lead agency will not be able to implement investment activities, the government of Afghanistan requested Germany to be the cooperating implementing agency.

Page 2

Germany would be willing to assist Afghanistan, depending on the final outcome of the detailed investigation of the situation of the refrigeration equipment manufacturer.

## **Bolivia**

### **Proj Prep investment activities under HPMP**

Bolivia reported 6.0 ODP tonnes of HCFC consumption in 2008. Besides the servicing sector, there is consumption in the sectors of foam production and refrigeration equipment assembly, as well as some use as solvent in the manufacturing sector.

The HPMP is expected for submission at the 61<sup>st</sup> Meeting.

### **HPMP activities**

It has been agreed that UNDP will implement the investment activities in the foam sector as cooperating agency. Details will only be available after the HPMP has been agreed with the government of Bolivia.

## **Botswana**

### **Terminal CFC Phase Out Management Plan**

Botswana's ODS regulations have been approved. The implementation of TPMP activities is further ongoing. The 2nd tranche of Botswana's TPMP will be requested as planned at the 60<sup>th</sup> Meeting.

### **Prep project HCFC Management Plan**

HCFC consumption has been rising steadily in Botswana, which reported 12.7 ODP tonnes in 2008. AC split units are being manufactured in Botswana, which appears to be one reason behind this increase over the last several years. Because of the presence of a manufacturing sector, the HPMP preparation funding request will be increased according to ExCom Decision 56/16 (f) (i). The HPMP preparation request will be submitted at the 62<sup>nd</sup> Meeting.

### **HPMP activities**

Based on the final outcome of the still to be conducted HPMP survey, Botswana expects investment activities addressing the AC manufacturing sector in order to meet the freeze and first reduction target. In addition, technical assistance and training will be needed to adequately prepare the servicing sector for the phase out. Depending on the final HPMP, these investment activities could be implemented together with a cooperating Implementing Agency in case the bilateral funding from Germany will be found to be insufficient at that time.

## **Brazil**

### **HPMP activities**

With UNDP as lead agency and depending on the final outcome of the HPMP for Brazil, Germany will, according to the request from the government of Brazil and in agreement with UNDP, contribute in areas of its expertise where this will fit well into the HPMP. This can include technical assistance and training in the solvent and servicing sectors, e.g. training on leak proofing to avoid unnecessary emissions of high GWP refrigerants and other immediately required skills.

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Page 3

## **China**

### **HPMP activities**

Within the overall HPMP prepared by UNDP, Germany would assist China in achieving the targets currently being prepared under the XPS-sector HPMP. The XPS plan is expected to be finalized possibly before the 61<sup>st</sup> Meeting. Based on currently available information it will be expected that the eligible consumption needed to be addressed to achieve the first control steps in this sector will exceed available funding resources from Germany's bilateral contribution. Therefore, selected investment activities will be conducted, depending on the decision of the Chinese government, with UNDP and/or UNIDO as cooperating agencies.

## **India**

### **HPMP activities**

Within and depending on the overall plan prepared by UNDP, Germany would assist India in implementing specific activities required in the servicing sector for India to successfully achieve the first control targets. This is expected to include technical assistance and training, including training on leak proofing to avoid unnecessary emissions of high GWP refrigerants as well as training on the safe servicing of equipment using natural refrigerants.

The eligible activities which need to be addressed in this sector may exceed the available funding from Germany's bilateral contribution. Therefore, selected activities may be conducted, depending on the decision of the Indian government, in cooperation with one or more of the other implementing agencies.

## **Islamic Republic of Iran**

### **HPMP preparation in the foam sector**

Within the overall HPMP to be prepared by UNDP, Germany is responsible for the preparation of the HCFC Management Plan for the foam sector. It is expected that this sector plan will be ready before the 61<sup>st</sup> Meeting.

### **HPMP activities**

Germany would assist the Islamic Republic of Iran in implementing investment activities in the foam sector to achieve the required control targets of the first phase of the HPMP. Depending on the exact outcome of the HPMP and the consent of the government of Iran, any investment activities that would exceed the funding limits under the Germany bilateral contribution will be conducted in cooperation with another implementing agency. Currently, activities in this sector are being coordinated with UNIDO.

## **Jordan**

### **Accelerated Phase Out of Methyl Bromide**

The government of Jordan requested Germany to prepare a project proposal suggesting an accelerated phase out of the consumption of controlled uses of methyl bromide. Currently, a complete phase out has been agreed between ExCom and the government of Jordan to be accomplished on 1 January 2015, for which full funding has been approved already. The government of Jordan suggests conducting an extra effort to actually phase out all controlled uses by 1 January 2013. With modest supplementary funding Jordan believes that additional activities and efforts could be undertaken to use the current momentum and achieve this goal.



## Kenya

### Prep project HCFC Management Plan

Kenya reported 57.8 OPD tons of HCFCs for 2008 under Article 7. Kenya's HPMP preparation will only start in March 2010 when the survey will be conducted, as the country is still busy to complete its CFC TPMP. The relatively high reported HCFC consumption points to a considerable manufacturing sector, among others in foam production. However until the completion of the survey no specific details are available.

### HPMP activities

Based on the findings of the HPMP survey and the resulting HPMP, suitable investment activities will be proposed to achieve the first HCFC control targets. If eligible and required investment activities are found to exceed funding limits within Germany's bilateral contribution, the government of Kenya would consider UNIDO as cooperating implementing agency. However, since data are not yet available, it is too early to formalize any cooperation.

## Lesotho

### Prep project HCFC Management Plan

Lesotho reported 11.6 ODP tonnes of HCFC consumption in 2008. The planned survey under the HPMP preparation will start early 2010. Considering the reported level of consumption, one or more manufacturing sectors may have to be addressed in order to meet the first control targets.

### HPMP activities

Based on the findings of the HPMP survey investment activities will be determined to achieve Lesotho's commitments. Should the eligible investment activities exceed the available funding levels under the German bilateral contribution selected investment activities could in agreement with the government of Lesotho be conducted in cooperation with another implementing agency.

## Liberia

### Prep project HCFC Management Plan

Liberia reported 2.8 ODP tonnes of HCFC imports in 2008. The HCFC survey will be conducted until about March 2010 in order to determine the actual HCFC consumption in the different sectors, including the foam production facilities in the country.

### HPMP activities

Based on the findings of the HPMP survey investment activities will be determined to achieve Liberia's commitments. Should the eligible investment activities exceed the available funding levels under the German bilateral contribution selected investment activities could be, in agreement with the government of Liberia, conducted in cooperation with another implementing agency.

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Page 5

## **Mauritius**

### **Prep project HCFC Management Plan**

Mauritius reported 6.9 ODP tonnes of HCFC consumption in 2008. HPMP preparation is still ongoing and expected to be completed early 2010 for possible submission at the 61<sup>st</sup> Meeting.

### **HPMP activities**

Considering the reported level of consumption, one or more manufacturing sectors may have to be addressed in order to meet the first control targets. Based on the findings of the HPMP survey investment activities will be determined to achieve Mauritius' commitments. Should the eligible investment activities exceed the available funding levels under the German bilateral contribution selected investment activities could be, in agreement with the government of Mauritius, conducted in cooperation with another implementing agency.

## **Namibia**

### **Prep project HCFC Management Plan**

Namibia reported 5.8 ODP tonnes of HCFC consumption in 2008. The surveys for the HPMP have been completed. The results will be presented and finalized at a stakeholder consultation workshop planned for February 2010.

### **HPMP activities**

Namibia does not have any manufacturing sector. Therefore it is envisioned that only non-investment, training and servicing sector related activities may be implemented.

## **Papua New Guinea**

### **Institutional Strengthening**

The ongoing ISP project will be submitted for approval of the 5<sup>th</sup> phase to ensure that the NOU can continue to operate and coordinate the planning and implementation of the HPMP.

### **Prep project HCFC Management Plan**

PNG reported a HCFC consumption of 3.1 ODP tonnes in 2008. The survey under the HPMP preparation is ongoing and is expected to be completed in March 2010.

### **HPMP activities**

It is currently expected that PNG will only have to address non-investment activities under its HPMP.

## **Seychelles**

### **Prep project HCFC Management Plan**

The Seychelles reported a HCFC consumption of 0.6 ODP tonnes in 2008. HCFCs are mainly used in the servicing sector. The still ongoing survey in preparation of the HPMP is expected to be finished in February 2010.

Page 6

### HPMP activities

It is currently expected that the Seychelles will only have to address non-investment activities under its HPMP.

### Swaziland (activities implemented by UNDP)

#### Prep Investment Project for HCFC alternatives in the refrigeration manufacturing sector.

Germany passed this activity to UNDP. The project concerns Palfridge, a company producing domestic and commercial refrigeration equipment. Currently HCFC 141b is used for the insulation foam. This is the single largest consumption of HCFCs in the country. The project intends to convert to pentane as alternative.

#### Investment project HCFC Alternatives

Based on the outcome of the project preparation Palfridge's foam production will be converted to pentane. UNDP will be the implementing agency.

### Yemen

#### Methyl bromide phase out.

The Methyl bromide terminal phase out project was approved at the 56<sup>th</sup> meeting. The second tranche will be requested for approval at the 62<sup>nd</sup> meeting.

### Zimbabwe

#### CFC - Terminal Phase Out

The second and last tranche of Zimbabwe's TPMP will be submitted for approval at the 60<sup>th</sup> meeting. It appears that Zimbabwe can achieve complete CFC phase out, as required.

#### Prep project HCFC Management Plan

Zimbabwe reported 8.7 ODP tons of HCFCs in 2008. Currently, the survey under the HPMP preparation is being conducted. The survey is expected to be completed in March 2010.

### HPMP activities

Since the survey has not been completed, it is not yet possible to report any results with certainty. However, a manufacturing sector exists which will be addressed to meet the compliance targets in the first phase of the HPMP. In addition, technical assistance, training and other non-investment activities may be required to enable Zimbabwe to successfully commence the HCFC phase out.

Should the eligible investment activities exceed the available funding levels under the German bilateral contribution selected investment activities could in agreement with the government of Zimbabwe be conducted in cooperation with another implementing agency.