



**Programa de las  
Naciones Unidas  
para el Medio Ambiente**



Distr.  
GENERAL

UNEP/OzL.Pro/ExCom/60/9  
9 de marzo de 2010

ESPAÑOL  
ORIGINAL: INGLÉS

COMITÉ EJECUTIVO DEL FONDO MULTILATERAL  
PARA LA APLICACIÓN DEL  
PROTOCOLO DE MONTREAL  
Sexagésima Reunión  
Montreal, 12 al 15 de abril de 2010

**PLAN ADMINISTRATIVO DEL PNUD PARA LOS AÑOS 2010-2012**

Los documentos previos al período de sesiones del Comité Ejecutivo del Fondo Multilateral para la Aplicación del Protocolo de Montreal no van en perjuicio de cualquier decisión que el Comité Ejecutivo pudiera adoptar después de la emisión de los mismos.

## COMENTARIOS Y RECOMENDACIONES DE LA SECRETARÍA DEL FONDO

1. En este documento se presenta un resumen de las actividades planificadas por el PNUD para la eliminación de las sustancias que agotan la capa de ozono (SAO) durante el trienio 2010-2012. Se proporcionan también los indicadores de desempeño en el plan administrativo del PNUD, comentarios generales y recomendaciones sometidas a la consideración del Comité Ejecutivo. El plan administrativo del PNUD para 2010-2012 figura en el Anexo I.

2. En la Tabla 1 se presenta, por años, el valor de las actividades incluidas en los planes administrativos según las categorías de “requerido para cumplimiento” y “no requerido” de conformidad con el Plan modelo trienal renovable de eliminación.

Tabla 1

### ASIGNACIÓN DE RECURSOS DEL PLAN ADMINISTRATIVO DEL PNUD (2010-2014) (en miles de \$EUA)

Requerido por el modelo	2010	2011	2012	2013	2014	Total (2010 a 2014)
Requerido para cumplimiento (Acuerdos plurianuales y costos ordinarios)	6 943	2 736	6 482	2 660	6 550	25 372
Requerido para cumplimiento (HCFC)	95 150	64 366	156 925	159 289	91 203	566 932
No requerido para el cumplimiento (Movilización de recursos)	269					269
No requerido para el cumplimiento (destrucción de SAO)	4 750					4 750
No requerido para cumplimiento (Enfriadores, comercio ilícito, CTC, MBR, MDI, estudios, talleres)						0
<b>Total general</b>	<b>107 112</b>	<b>67 102</b>	<b>163 407</b>	<b>161 950</b>	<b>97 753</b>	<b>597 323</b>

3. El PNUD ha incluido actividades por un valor de 107,11 millones de \$EUA en 2010 y por un valor total de 597,32 millones de \$EUA en el transcurso del período de 2010 a 2014.

#### Acuerdos plurianuales y gastos corrientes

4. En la Tabla 2 se presenta información del PNUD sobre acuerdos plurianuales, nuevas actividades en materia de metilbromuro, planes de gestión para eliminación definitiva, fortalecimiento institucional y actividades de la unidad central que se consideran requeridas para el cumplimiento.

Tabla 2

### REQUERIDO PARA EL CUMPLIMIENTO EN LOS ACUERDOS PLURIANUALES Y COSTOS ORDINARIOS (2010 a 2014) (en miles de \$EUA)

Requerido por el modelo	2010	2011	2012	2013	2014	Total (2010 a 2014)
Acuerdos plurianuales aprobados	501	59	59			619
Nuevas actividades para metilbromuro						0
Planes de gestión para eliminación definitiva	140	140		0		280
Fortalecimiento institucional	4 332	507	4 332	507	4 332	14 010
Unidad central	1 971	2 030	2 091	2 153	2 218	10 463
<b>Total (requerido para cumplimiento de acuerdos plurianuales y gastos corrientes)</b>	<b>6 943</b>	<b>2 736</b>	<b>6 482</b>	<b>2 660</b>	<b>6 550</b>	<b>25 372</b>

5. En el plan administrativo refundido (UNEP/OzL.Pro/ExCom/60/7) se consideran varias cuestiones pertinentes a las actividades del PNUD requeridas para el cumplimiento de acuerdos plurianuales y costos ordinarios, incluido lo siguiente:

- a) El PNUD incluyó valores de los acuerdos plurianuales que corresponden a los registros de la Secretaría sobre acuerdos plurianuales;
- b) El PNUD proyecta presentar tramos anuales de planes de gestión para eliminación definitiva por un valor de 139 750 \$EUA después de 2010 para Angola.

6. No se suscitó ninguna cuestión respecto a aquellas actividades que también se consideran requeridas para el cumplimiento. Se prevé que los costos de la unidad central del PNUD aumenten a un ritmo del 3 por ciento anual.

### **Actividades relativas a la eliminación de los HCFC**

#### Tonelaje de HCFC

7. El PNUD utilizó el plan modelo trienal renovable de eliminación correspondiente al período 2010-2012 como base para sus estimaciones de tonelaje de conformidad con la fórmula indicada en la parte narrativa de su plan administrativo (Anexo I).

8. Se había pedido a los organismos que indicaran si en sus planes administrativos habían incluido actividades para eliminación acelerada. En lo que atañe a aquellos países en los cuales las actividades de eliminación de HCFC se extendían a volúmenes superiores a 10 toneladas PAO, los organismos de ejecución incluyeron en sus planes administrativos las actividades en materia de HCFC cuyo tonelaje combinado era superior al requerido por el modelo, para China (105,7 toneladas PAO); Colombia (34,2 toneladas PAO); Costa Rica (15,9 toneladas PAO); Indonesia (154,2 toneladas PAO); Jordania (39 toneladas PAO); Mongolia (26 toneladas PAO); Filipinas (12,7 toneladas PAO); Seychelles (13,6 toneladas PAO); y Tailandia (57,2 toneladas PAO). El plan administrativo del PNUD cubre un tonelaje de HCFC para algunos de estos países.

9. El PNUD señaló algunas discrepancias en las cifras notificadas. Respecto a China, el PNUD señaló que en el modelo se utilizan proyecciones, no las cifras reales de consumo, por lo que es difícil decir con certidumbre si el nivel de eliminación es el que se necesitará para el cumplimiento, o si llevará a una eliminación acelerada. Cualesquiera datos sobre tonelaje basados en estimaciones pudieran ser ajustados en función de esas estimaciones.

10. El tonelaje para Costa Rica representa una inadmisibles eliminación acelerada porque una gran empresa tiene la responsabilidad para el sector de espumas.

11. En lo que atañe a Colombia, el tonelaje adicional no representaba una eliminación acelerada, sino que en su lugar se hacía eco del hecho de que la información utilizada en el modelo para Colombia se basaba en los datos recopilados sobre el terreno y en estimaciones de crecimiento efectuadas para la preparación del Plan de gestión para eliminación de los HCFC (HPMP). Por este motivo la cifra difiere de la estimación general en el modelo de plan administrativo.

12. Para aquellos países en los que se había incluido la eliminación de los HCFC representando a más de 10 toneladas PAO por encima de lo requerido por el modelo, en el plan administrativo del PNUD había actividades en materia de HCFC en los siguientes países: China (3 418,7 toneladas PAO); Colombia (94 toneladas PAO); Costa Rica (19,4 toneladas PAO); Indonesia (74,7 toneladas PAO); Filipinas (13 toneladas PAO); y Tailandia (28,7 toneladas PAO). Para aquellos países en los que se había incluido la eliminación de los HCFC representando niveles por debajo de lo requerido por el modelo, el

plan administrativo del PNUD cubría actividades en materia de HCFC en los siguientes países: Argentina (26,4 toneladas PAO); India (460 toneladas PAO); México (149,6 toneladas PAO); y Nigeria (31,9 toneladas PAO). La consideración de este asunto por parte del Comité Ejecutivo en el contexto del plan administrativo refundido pudiera tener un impacto en el tonelaje en el plan administrativo del PNUD.

13. El Comité Ejecutivo pudiera considerar:

- a) Si se mantiene el tonelaje de HCFC en el plan administrativo del PNUD para:
  - i) Costa Rica por cuanto representa una aceleración inevitable; y
  - ii) Colombia pues los datos representan los que han sido realmente recopilados y no la eliminación acelerada; y
- b) Si se ajusta el tonelaje para China de conformidad con el modelo para que corresponda a la índole estimada de los datos.

#### Proyectos de demostración en materia de HCFC

14. El PNUD tiene cinco proyectos de demostración en su plan administrativo, cuatro de los cuales por presentar en 2010 y uno por presentar en 2011. Todos los proyectos de demostración del PNUD cubren un nivel de eliminación excepto los propuestos para Turquía (222 525 \$EUA) y Kuwait (376 250 \$EUA). En ninguna de estas actividades ha habido fondos para la preparación de proyecto. El PNUD solicita una suma de 150 500 \$EUA por concepto de preparación de proyecto para estos proyectos de demostración en materia de HCFC. El presupuesto para preparación de la demostración sobre HCFC excede del índice admisible para financiación correspondiente a este tipo de actividad para China (PNUD y ONUDI). La consideración de este proyecto de demostración en materia de HCFC pudiera tener un impacto en proyectos de demostración en materia de HCFC del PNUD.

15. El Comité Ejecutivo pudiera modificar las cifras asociadas a la conversión de espumas de poliestireno extruido (XPS) a base de HCFC a formato metálico y al proyecto de demostración con agentes de espumación combinados en China desde 86 000 \$EUA hasta 30 000 \$EUA, más los costos de apoyo del organismo, puesto que el PNUD estaba de acuerdo en que la cifra en su plan administrativo incluía alguna duplicación.

#### El consumo de HCFC en el sector de servicio y mantenimiento de equipos en los países de bajo consumo

16. El valor total de las actividades en el sector de servicios en materia de HCFC en países de bajo consumo que figuran en el plan administrativo del PNUD se eleva a una suma de 6,09 millones de \$EUA. Esta cantidad excede del nivel objeto del debate en una cantidad de 3,66 millones de \$EUA. La consideración de los niveles de financiación para actividades en materia de HCFC por parte del Comité Ejecutivo pudiera tener un impacto en el plan administrativo del PNUD.

#### La eliminación de HCFC en los países que no son de bajo consumo

17. El valor total de las actividades en países que no son de bajo consumo que figuran en el plan administrativo del PNUD se eleva a una suma de 556,49 millones de \$EUA para 5 064 toneladas PAO (excluida la preparación de proyecto). De esta suma, 404,99 millones de \$EUA son para China, lo que representa 3 419 toneladas PAO de consumo. La consideración de los niveles máximos de relación de costo a eficacia y del tonelaje en materia de HCFC para fines de planificación administrativa por parte del Comité Ejecutivo pudiera tener un impacto en el plan administrativo del PNUD.

### **Actividades para la destrucción de SAO**

18. El PNUD tiene proyectos de destrucción de SAO por un valor de 4,75 millones de \$EUA en 2010 en su plan administrativo. Todos los proyectos de destrucción de SAO del PNUD han recibido financiación para preparación de proyecto excepto para actividades en India (1 millón de \$EUA conducente a la destrucción de 1 200 toneladas PAO). Todas las actividades de destrucción de SAO del PNUD con estimaciones de tonelaje tienen una relación de costo a eficacia inferior a 13,2 \$EUA/kg. de SAO por destruir, de conformidad con la decisión 58/19, párrafo a) ii) c. La consideración de este asunto por parte del Comité Ejecutivo en el contexto del plan administrativo refundido pudiera tener un impacto en el plan administrativo del PNUD.

### **Otras actividades no requeridas para el cumplimiento (movilización de recursos, estudios y talleres)**

19. Para el año 2010, el PNUD no incluyó ninguna de las demás actividades no requeridas para el cumplimiento, excepto la movilización de recursos que se elevaba a una suma de 269 000 \$EUA. El Comité Ejecutivo aplazó la consideración de la movilización de recursos para el PNUD hasta su 60ª reunión (decisión 59/21).

### **Respuesta del organismo sobre el elevado costo de las actividades recogidas en su plan administrativo**

20. El valor total de las actividades en el plan administrativo del PNUD es de 107 millones de \$EUA en 2010 y de 67 millones de \$EUA en 2011. Esto representa una suma de 174 millones de \$EUA de los 397 millones de \$EUA que quedan para la programación total del Fondo Multilateral para el trienio en curso. Las cifras del PNUD son por consiguiente desproporcionadas para el nivel de recursos disponible.

21. La metodología empleada para el cálculo de los valores que han sido incluidos en el plan administrativo está explicada en la parte narrativa del plan. El PNUD señaló que para la mayoría de los países (excepto para unos pocos la formulación del plan de gestión para eliminación de los HCFC está en una etapa avanzada, y se dispone de la mayoría de los datos de consumo recientes y de la información sobre pronósticos), se siguió la metodología para pronosticar utilizada por la Secretaría (documento UNEP/OzL.Pro/ExCom/59/7). Los valores de relación de costo a eficacia se basan en los valores vigentes cuando se dispone de los mismos. Sin embargo, estos valores son meramente estimaciones y pudieran modificarse en base a la información de la que se dispondría en el proceso de preparación de los Planes de gestión para eliminación de los HCFC.

### **Co-financiación**

22. En ninguno de los valores que figuran en el plan administrativo del PNUD se incluye la co-financiación. Las cifras son todas estimaciones de financiación para donaciones del MLF basadas en el modelo de eliminación de SAO y en su costo de la Secretaría. El PNUD señaló los puntos siguientes durante la reunión de coordinación entre organismos de enero de 2010 en lo que atañe a la co-financiación:

- a) El Fondo Multilateral no cubre los costos adicionales de elevar al máximo los beneficios para el clima. Cuando pudieran obtenerse beneficios adicionales para el clima como resultado de inversiones adicionales conjuntamente con las reducciones/eliminación de los HCFC será necesaria una financiación adicional, que necesariamente provendría de fuentes ajenas al Fondo Multilateral. El PNUD se esforzará para determinar y tener acceso a tales fuentes de financiación adicional y notificará modos de perseguir oportunidades asociadas al Mecanismo para un desarrollo limpio y a los mercados voluntarios de carbono;

- b) En el pasado, durante la eliminación de los CFC, las empresas ofrecían ordinariamente una forma de co-financiación cuando los fondos del Fondo Multilateral no eran adecuados (por razón de los umbrales de relación de costo a eficacia) o debido a que algunos elementos del costo no eran admisibles en virtud de las políticas del Fondo Multilateral. El PNUD señaló que durante la eliminación de los HCFC estará al tanto de cualquier posible co-financiación, aprendiendo las lecciones de la experiencia en la eliminación de los CFC.

23. El PNUD indicó que la co-financiación dependerá de la disponibilidad, sostenibilidad, viabilidad comercial y selección de las tecnologías de sustitución adecuadas junto con políticas apropiadas para asegurar el logro de los objetivos del Protocolo de Montreal, incluidos los relacionados con el clima. En la actualidad solamente se dispone de esas tecnologías para aplicaciones limitadas.

24. Respecto a los niveles de co-financiación y a las instituciones específicas que estarán implicadas, el PNUD señaló que las necesidades de co-financiación solamente serán obvias una vez aclaradas las políticas de financiación de los HCFC y hayan sido preparados los planes de gestión para eliminación de los HCFC. Una vez conocidas las necesidades de co-financiación se determinarán con la amplitud posible las fuentes de la co-financiación.

### Indicadores de desempeño

25. En la Tabla 3 siguiente se presentan los indicadores de desempeño para el PNUD conforme a las decisiones 41/93, 47/51 y 49/4 d).

Tabla 3  
**INDICADORES DE DESEMPEÑO**

Rubro	Metas de 2010
Número de programas anuales de acuerdos plurianuales aprobados por comparación con los previstos	45
Número de proyectos/actividades particulares (proyectos de inversión, planes de gestión de refrigerantes, bancos de halones, asistencia técnica, fortalecimiento institucional) aprobados por comparación con los previstos	15
Hito de actividades completadas/niveles de SAO logrados para tramos de acuerdos plurianuales aprobados por comparación con los previstos	9
Eliminación de SAO en proyectos particulares por comparación con los previstos según los informes sobre la marcha de las actividades	Por determinar
Terminación de proyectos (respuesta a la decisión 28/2 para proyectos de inversión) y según lo definido para proyectos ajenos a la inversión por comparación con los previstos en los informes sobre la marcha de las actividades	Por determinar
Número de proyectos de política/asistencia a la reglamentación completados por comparación con lo previsto	1/1 (100%)
Rapidez en completar los aspectos financieros por comparación con lo requerido según las fechas de terminación en los informes sobre la marcha de las actividades	Puntual
Presentación puntual de informes de terminación de proyectos por comparación con lo convenido	Puntual
Presentación puntual de informes sobre la marcha de las actividades y respuestas a menos que se haya convenido de otro modo	Puntual

26. En el objetivo del PNUD para el número de tramos anuales deberían incluirse 44 nuevos planes de gestión para eliminación de HCFC, un nuevo plan de gestión para eliminación definitiva y 9 acuerdos aprobados por un total de 54 tramos anuales. Su objetivo para el número de proyectos aprobados debería ser de 28, en los que se incluyen 5 proyectos de destrucción, 4 proyectos de demostración en materia de HCFC, 18 proyectos de fortalecimiento institucional, y un proyecto mundial de asistencia técnica. Según el informe sobre la marcha de las actividades para 2008 excluidos los proyectos de acuerdos plurianuales, el objetivo de eliminación debería ser de 250,5 toneladas PAO. El objetivo del PNUD para la terminación

de proyectos debería ser de 45, incluidos los de fortalecimiento institucional, pero excluyendo los acuerdos plurianuales y y para preparación de proyecto. El PNUD estaba de acuerdo con estos objetivos después de presentar su documento narrativo.

## RECOMMENDACIONES

27. El Comité Ejecutivo pudiera:

- a) Respaldo el plan administrativo del PNUD correspondiente al período de 2010-2012 según figura en el documento UNEP/OzL.Pro/ExCom/60/9 señalándose al mismo tiempo que este respaldo no lleva consigo ni la aprobación de los proyectos que figuran en el mismo ni sus niveles de financiación, y que el respaldo junto con cualesquiera modificaciones se basa en considerar lo siguiente:
  - i) Aquellas actividades asociadas a asuntos a los que se refiere el plan administrativo refundido incluidos:
    - a) Actividades del plan de gestión para eliminación definitiva después de 2010;
    - b) Tonelaje de HCFC;
    - c) Proyectos de demostración en materia de HCFC;
    - d) Sector de mantenimiento y servicio de equipos de funcionamiento por HCFC en los países de bajo consumo;
    - e) Proyectos de eliminación de HCFC para países que no son;
    - f) Actividades de destrucción de SAO;
  - ii) Mantener el tonelaje de HCFC en el plan administrativo del PNUD para los siguientes países:
    - a) Costa Rica puesto que representa una aceleración inevitable; y
    - b) Colombia puesto que los datos representan la recopilación real de datos y no la eliminación acelerada;
  - iii) Ajustar el tonelaje de HCFC para China de conformidad con el plan modelo trienal renovable de eliminación para que corresponda a la índole estimada de los datos;
  - iv) Modificar las cifras asociadas a la conversión de espumas de poliestireno extruido a base de HCFC a formato metálico y el proyecto de demostración con agentes de espumación combinados desde un valor de 86 000 \$EUA a 30 000 \$EUA, más los costos de apoyo del organismo;
- b) Aprobar los indicadores de desempeño para el PNUD indicados en la Tabla 3 según figuran en el documento UNEP/OzL.Pro/ExCom/60/9 al mismo tiempo que se establece un objetivo de 54 para el número de tramos anuales aprobados, un objetivo de 28 para el número de proyectos particulares aprobados, un objetivo de eliminación de 250,5 toneladas PAO, y un objetivo de 45 para terminación de proyectos.





## Annex I

### 60th Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol (Montreal, 12 - 16 April 2010)

## **UNDP 2010 BUSINESS PLAN NARRATIVE**

### **1. Introduction**

This narrative is based on an excel table that is included as **Annex 1** to this report. This table lists all the ongoing and planned activities for which funding is expected during the period 2010 through 2014. While activities are included for 2010 and future years, it should be noted that planned activities included in the 2010/2011 columns are firm and those for future years are indicative and are provided for planning purposes only.

To summarize, the activities included for 2010 can be summarized as follows:

- There are only 9 ongoing non-HCFC multi-year agreements left which will receive funding tranches in 2010 for a combined amount of US\$ 500,000.
- There are 21 ongoing institutional strengthening activities of which 18 will request an extension in 2010 for a combined amount of US\$ 4.3 million.
- Two global requests have been included: one for resource mobilization to address climate co-benefits regarding HCFCs (which was deferred in 2009) and the usual Core Unit support cost.
- There is only one request left with regards to new TPMPs which is for Angola. Indeed, Angola has received project preparation funds with the condition that a TPMP may only be submitted after Angola ratifies the London Amendment. The Committee may wish to consider if this activity should still be maintained.
- UNDP has included a large number of HCFC-related activities, most of which directly result from previously approved project preparation funds. In addition, there are 6 requests for new project preparation funds and 4 requests for pilot-demonstration projects in 2010 and an additional request for 1 pilot-demonstration project in 2011.
- Finally, 5 ODS-Waste/Destruction project proposals were included as well which directly result from previously approved project preparation funds.

The value of UNDP's 2010 and 2011 Business Plan is US\$ 174.2 million (including support costs). The expected value in 2010 is US\$ 107.1 million and US\$ 67.1 million in 2011. The higher level of funding as compared to previous years is because several activities that were developed in 2009 are expected to be submitted in 2010 and beyond.

Figures for the HPMP-related activities were obtained using an excel-based model using the following methodology:

1. We have used a slightly revised format provided by the Secretariat and split up rows into two when there is more than one chemical involved (e.g. HCFC 141b and HCFC 22).
2. As requested, we have based tonnages on Document UNEP/OzL.Pro/ExCom/59/7 Annex III, Table 7 for establishing the ODP phase-out for the freeze/2015 reduction steps.
3. We then used document UNEP/OzL.Pro/ExCom/59/7 Annex III Table 7 which was modified and extrapolated in the following way:

- a. Apart from HCFC-141b, all other HCFCs were grouped into one line called “HCFC-22 and others”. In annex 1 of this document however the latter is re-named as HCFC-22 due to lack of space.
  - b. The original HCFC consumption table which we obtained from the Secretariat provides a full breakdown of all consumption by sector/chemical for all HCFCs reported as of end of 2009. However the amounts to be addressed for the freeze/2015 measures were given as an aggregate. We therefore extrapolated the original data-set so that they would match the associated freeze/2015 figures.
  - c. We had to estimate sector information for China, Brazil and Egypt, as those countries did not report sector breakdowns. For those countries we thus had no other choice but to use the total averages of sector breakdowns for all other countries and apply it to them.
4. We then listed all sectors for which PRP was approved for all agencies from the MLFS Inventory (and a few where we expect new PRP in 2010).
  5. We then calculated how much HCFC 141b and 22/others are to be addressed (till 2015) in each of the sectors that were allocated for UNDP. However it was realized that sometimes, other agencies received PRP approvals in the same sector, so that we sometimes had to divide the consumption in a sector within various agencies.
  6. ODP sector allocations in a given country were then compared to total HCFCs to be addressed by 2015, and the balance of any remaining ODP is then given to the “HPMP-overarching strategy”.
  7. We then converted this information into US\$ using cost-effectiveness (CE) numbers. For countries consuming less than 360 metric tonnes of HCFCs we made following assumptions:
    - a. ODS Metric Tonnes < 320 --> US\$ 192,000 plus 9% = US\$ 209,280
    - b. ODS Metric Tonnes > 320 and < 360 --> US\$ 216,000 plus 7.5% = US\$232,200
    - c. ODS Metric Tonnes > 360 --> non-LVC, so CE-values were applied, also taking into account the ODP and the support cost.
  8. CE-values were however capped at 7.8 US\$/kg for the more expensive sectors.
  9. In a next iteration, lines were split where there is more than one HCFC into two rows. Higher amounts were then spread over several years where necessary.
  10. Amounts were then adjusted so that the totals for 2010 and 2011 take the maximums available for HCFCs into account for the remaining two years of this replenishment (2010/2011). The excess-amounts were then added to the columns for 2012 and beyond (next triennium).

Notes:

a) Although the above model was used to calculate the figures for the majority of the HPMP activities, there were some instances where we did not utilize the model described above (i.e. if better information was available).

(b) The funding and reductions/phase-out figures for 2013/2015 compliance are essentially derived based on MLF Secretariat’s considerations/guidance in the relevant documents cited above. Given that the policies for funding of HCFC activities are not yet finalized by ExCom and considering the relatively low level of reliable information on alternative technologies and relevant costs particularly in the Refrigeration and Air Conditioning sectors, UNDP considers that estimates of incremental costs and funding levels are purely speculative at this time and made based on estimations of available funding including the level of replenishment of the MLF for the 2012-2014 triennium. This should not be construed as an endorsement or confirmation that the required phase-out activities will or can be carried out within the funding levels mentioned.

## 2. Resource allocation

The projects are grouped into various categories, which are described in the following summary table.

**Table 1: UNDP Business Plan Resource Allocations<sup>1</sup>**

Category	2010 Value (000s)	2011 Value (000s)	2012 Value (000s)	2013-14 Value (000s)	Total
1. Approved Multi-Year	501	59	59	-	619
2. Planned Inst. Str.	4,332	507	4,332	4,839	14,010
3. Core and Mobilization	2,240	2,030	2,091	2,153	8,514
4. Planned TPMPs	140	140	-	-	280
6b. HCFC Pilots/Demos	8,500	376	-	-	8,876
6c. HCFC HPMPs	86,190	63,990	156,925	250,492	557,596
6d. PRP	460	-	-	-	460
7. ODS Waste	4,750	-	-	-	4,750
	<b>107,112</b>	<b>67,102</b>	<b>163,407</b>	<b>257,484</b>	<b>595,105</b>

## 3. Geographical distribution

UNDP will once again cover all the regions, with approved and new activities in 85 countries, 50 of which have funding requests in 2010. The number of countries, activities and budgets per region for 2010 is listed in table 2.

**Table 2: UNDP 2010 MYA Tranches<sup>2</sup> and New Activities per Region<sup>3</sup>**

Region	# of Countries	# of Projects	2010 Value (000s)
AFR	12	20	5,735
ASP	14	67	63,750
EUR	4	7	1,474
GLO	1	2	2,240
LAC	19	64	33,913
	<b>50</b>	<b>160</b>	<b>107,112</b>

## 4. Programme Expansion in 2010

### 4.1. Background

UNDP's 2010-2011 Business Plan has been developed by drawing upon the analysis provided by the Multilateral Fund's strategic planning framework, through communication with countries that have expressed an interest in working with UNDP to address their compliance and other needs, as well as through negotiation and discussions with the MLF Secretariat and other Implementing Agencies during and post the Inter-Agency meeting held on 28-29 January 2010 in Montreal.

Countries Contacted. Most activities listed are either deferred from last year's business plan, or have active project preparation accounts ongoing, or were included based on written requests from the

<sup>1</sup> All values include agency support costs.

<sup>2</sup> All values agency support costs.

<sup>3</sup> EUR contains CIS-countries

countries concerned.

Coordination with other bilateral and implementing agencies. As in the past, during 2010 UNDP will continue to collaborate with both bilateral and other implementing agencies. Collaborative arrangements in programming will continue with the Government of Canada, the Government of Japan, the Government of Germany and the Government of Italy, as well as with UNEP, UNIDO and the World Bank.

#### 4.2. ODP Impact on the 3-year Phase-out Plan

In the next table, which is also based on **Annex 1**, the ODP amount listed in a given year corresponds to the US\$ amount that is approved in that same year. This is even the case for the approved/multi-year category, where the overall cost-effectiveness was applied to each individual funding tranche.

**Table 3: Impact upon Project Approval (in ODP T)<sup>4</sup>**

Chemical	2010 Value	2011 Value	2012 Value	2013-14 Value	Total
CFC	34.3	18.6	14.3	-	<b>67.3</b>
HCFC	-	-	-	-	-
HCFC-141b	396.1	252.2	231.7	356.6	<b>1,236.6</b>
HCFC-22 & Others	448.8	378.5	1,183.6	1,883.0	<b>3,893.9</b>
MULTI	-	-	-	-	-
ODS Waste	2,916.5	-	-	-	<b>2,916.5</b>
	<b>3,795.8</b>	<b>649.3</b>	<b>1,429.6</b>	<b>2,239.5</b>	<b>8,114.3</b>

However, if the ODP impact was calculated at the time of project completion rather than at the time of approval, the table would look as in the Table 4. As there is no longer any CFC consumption available, there is no longer any phaseout from “ongoing individual projects of the past”. As such the two tables have the same ODP numbers, and only differ because of the timing of the ODP phase-out.

**Table 4: Impact upon project completion (phase-out in ODP T)<sup>5</sup>**

Chemical	2012 Value	2013 Value	2014 Value	After 2014	Total
CFC	34.3	18.6	14.3	-	<b>67.3</b>
HCFC	-	-	-	-	-
HCFC-141b	396.1	252.2	231.7	356.6	<b>1,236.6</b>
HCFC-22 & Others	448.8	378.5	1,183.6	1,883.0	<b>3,893.9</b>
MULTI	-	-	-	-	-
ODS Waste	2,916.5	-	-	-	<b>2,916.5</b>
	<b>3,795.8</b>	<b>649.3</b>	<b>1,429.6</b>	<b>2,239.5</b>	<b>8,114.3</b>

#### 4.3. Project preparation

As most requests for project preparation for HCFCs were already approved in prior years, only a few will be submitted in 2010 as listed in **Annex 1**. The table below shows that there are 6 such activities relating to HCFCs, which amount to US\$ 459,750, including support costs. More details on these requests are provided in paragraph 5.1 related to HCFCs and will also be included in the respective 2010 Work Programmes to be submitted. Of course, there are no longer any new requests to prepare TPMPs or MDI-projects in 2010.

<sup>4</sup> Tonnage in ODP and based on date of project approvals. The figures for ODP related to ODS-waste management and destruction projects are very raw estimates. In addition it has to be clear that those figures are not phase-out as they represent ODS “use” and not “consumption”

<sup>5</sup> Tonnage in ODP and based on date of project completions

**Table 5: Project Preparation in 2010**

Category	Country	Type	Chemical/	Short Title	Budget
6d. PRP	Argentina	PRP	HCFC-22	PRP for HPMP Sector Plan in Foams	\$161,000
6d. PRP	China	PRP	HCFC-22	Demo: XPS Foams to Methyl Formate and co-blowing	\$86,000
6d. PRP	China	PRP	HCFC-22	Demo: Medical devices cleaning (IPA+HC)	\$32,250
6d. PRP	China	PRP	HCFC-22	Demo: Medical devices cleaning (Solvent-free)	\$32,250
6d. PRP	Jamaica	PRP	HCFC-141b	PRP for Foam in Seal Spray Solns (indiv proj)	\$30,000
6d. PRP	Thailand	PRP	HCFC-22	PRP for HPMP Preparation and Air Conditioning Sectors (	\$118,250
					<b>\$459,750</b>

6

#### 4.4. Non-investment projects

Also included in **Annex 1** are UNDP's 11 individual planned non-investment projects with a total value of US\$ 15,489,758, including support costs. This list includes 4 Pilots/Technology-Validation-projects for HCFCs and 2 global requests under the core unit and the resource mobilization categories. No new demonstration projects in ODS-Waste Destruction or Management were included for 2010 further to a decision taken at the 59<sup>th</sup> ExCom meeting stipulating that the Committee would only entertain two more such requests to be submitted by UNIDO. The 5 projects listed below in ODS-Waste were therefore those that were already agreed with in principle in 2009, but that will be submitted (or resubmitted) in 2010.

Details on all these requests will also be included in the respective Work Programmes to be submitted throughout 2010.

**Table 6: Individual Non-Investment projects (DEM/TAS) in 2010**

Category	Country	Chemical/ Substance	Sector / Sub-Sector	Value (\$000) in 2010	ODP in 2010
3. Core and Mobilization	Global	CFC	Resource Mobilization to address climate co-benefits re HC	269	
3. Core and Mobilization	Global	Several	Core Unit Support	1,971	
6b. HCFC Pilots/Demos	China	HCFC-22	Demo: Commercial air-source heat pumps (HFC-32)	2,258	3.9
6b. HCFC Pilots/Demos	China	HCFC-22	Demo: Reciprocating open compressors (NH3+CO2)	4,623	2.2
6b. HCFC Pilots/Demos	China	HCFC-22	Demo: XPS Foams to Methyl Formate and co-blowing	1,398	1.4
6b. HCFC Pilots/Demos	Turkey	HCFC-22	Validation of HFO in XPS foams	223	-
7. ODS Waste	Brazil	ODS Waste	Demo on ODS Banks Mgt and Destruction	1,000	1,200
7. ODS Waste	Colombia	ODS Waste	Demo on ODS Banks Mgt and Destruction	1,000	144.5
7. ODS Waste	Cuba	ODS Waste	Demo on ODS Banks Mgt and Destruction	1,000	222.0
7. ODS Waste	Ghana	ODS Waste	Demo on ODS Banks Mgt and Destruction	750	150.0
7. ODS Waste	India	ODS Waste	Demo: ODS Bank Management/Destruction	1,000	1,200.0
				<b>15,490</b>	<b>2,924.0</b>

In addition, UNDP will prepare 18 non-investment Institutional Strengthening project extensions in 2010, as indicated in the table below. The total value of IS renewal programming in 2010 is US \$4,332,048. An additional 3 IS renewals (Chile, Georgia, and Pakistan) will be submitted after 2010 and are thus not shown in the table below.

**Table 7: Non-Investment Institutional Strengthening requests**

Category	Country	Chemical	Short Title	Budget	ODP
2. Planned Inst. Str.	<b>Argentina</b>	MULTI	Several Ozone unit support	\$334,981	-
2. Planned Inst. Str.	<b>Bangladesh</b>	MULTI	Several Ozone unit support	\$139,750	-
2. Planned Inst. Str.	<b>Brazil</b>	MULTI	Several Ozone unit support	\$377,325	-
2. Planned Inst. Str.	<b>China</b>	MULTI	Several Ozone unit support	\$419,250	-
2. Planned Inst. Str.	<b>Colombia</b>	MULTI	Several Ozone unit support	\$296,270	-
2. Planned Inst. Str.	<b>Costa Rica</b>	MULTI	Several Ozone unit support	\$151,100	-
2. Planned Inst. Str.	<b>Cuba</b>	MULTI	Several Ozone unit support	\$160,200	-
2. Planned Inst. Str.	<b>Ghana</b>	MULTI	Several Ozone unit support	\$149,533	-
2. Planned Inst. Str.	<b>India</b>	MULTI	Several Ozone unit support	\$401,222	-
2. Planned Inst. Str.	<b>Indonesia</b>	MULTI	Several Ozone unit support	\$291,588	-
2. Planned Inst. Str.	<b>Iran</b>	MULTI	Several Ozone unit support	\$186,524	-
2. Planned Inst. Str.	<b>Lebanon</b>	MULTI	Several Ozone unit support	\$166,722	-
2. Planned Inst. Str.	<b>Malaysia</b>	MULTI	Several Ozone unit support	\$300,463	-
2. Planned Inst. Str.	<b>Nigeria</b>	MULTI	Several Ozone unit support	\$279,500	-
2. Planned Inst. Str.	<b>Sri Lanka</b>	MULTI	Several Ozone unit support	\$144,110	-
2. Planned Inst. Str.	<b>Trinidad and Tobago</b>	MULTI	Several Ozone unit support	\$64,500	-
2. Planned Inst. Str.	<b>Uruguay</b>	MULTI	Several Ozone unit support	\$162,110	-
2. Planned Inst. Str.	<b>Venezuela</b>	MULTI	Several Ozone unit support	\$306,900	-
<b>18</b>				<b>\$4,332,048</b>	<b>-</b>

#### **4.5. Submission of new tranches of ongoing Multi-Year agreements in 2010.**

UNDP currently only has 9 ongoing non-HCFC Multi-Year agreements left which would receive an additional funding tranche in 2010. The total from these tranches in 2010 would amount to US\$ 500,714. They are listed below.

**Table 8 – Ongoing Multi-Year Agreements and their funding in 2010**

Category	Country	Chemical/	Short Title	Budget
1. Approved Multi-Year	<b>Bangladesh</b>	CFC	Phaseout plan CFC phase out plan	\$59,125
1. Approved Multi-Year	<b>Dominica</b>	CFC	CFC phase out plan	\$6,540
1. Approved Multi-Year	<b>DR Congo</b>	CFC	CFC phase out plan	\$77,266
1. Approved Multi-Year	<b>Kyrgyzstan</b>	CFC	Phaseout plan CFC phase out plan	\$64,500
1. Approved Multi-Year	<b>Paraguay</b>	CFC	Terminal Phaseout Management Plan	\$22,575
1. Approved Multi-Year	<b>Peru</b>	CFC	Terminal Phaseout Management Plan	\$197,263
1. Approved Multi-Year	<b>Saint Kitts and Nevis</b>	CFC	Phaseout plan CFC phase out plan	\$3,270
1. Approved Multi-Year	<b>Sierra Leone</b>	CFC	Terminal Phaseout Management Plan	\$21,800
1. Approved Multi-Year	<b>Uruguay</b>	CFC	Phaseout plan CFC phase out plan	\$48,375
<b>9</b>				<b>\$500,714</b>

#### **4.6. Formulation of new TPMPs in 2010**

One new TPMP request for Angola will be formulated in 2010 with preparation funds which were approved in prior years. Similar to last year, however, Angola's TPMP is ready but still cannot be submitted in view of an ExCom decision taken at the 51st meeting that the country must first ratify the London Amendment. As already mentioned in the introduction, guidance is being sought from the Executive Committee as to whether this request should be maintained.

**Table 9: New TPMPs in 2010**

Category	Country	Chemical/	Short Title	Budget
4. Planned TPMPs	<b>Angola</b>	CFC	Terminal Phaseout Management Plan	\$139,750
<b>1</b>				<b>\$139,750</b>

#### 4.7. Formulation of new HPMPs in 2010

An important priority in 2010 and 2011 will be activities related to HCFC Phase-out Management Plans. We have included in our business plan activities covering 44 countries worth a combined US\$ 150 million over the next two years, which are expected to eliminate 1,468.17 ODP tonnes to meet the 2012/2015 compliance targets. While the number of rows corresponding to these activities in annex 1 amounts to 111, it should be noted that most are counted twice (per HCFC) chemical so that 111 doesn't correspond to the number of such programmes.

**Table 10: New HPMPs in 2010<sup>6</sup>**

Category	Country	Chemical/	Short Title	Budget
6c. HCFC HPMPs	Angola	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Argentina	HCFC	HCFC Phaseout Management Plan Related Activities	\$1,156,640
6c. HCFC HPMPs	Armenia	HCFC	HCFC Phaseout Management Plan Related Activities	\$623,713
6c. HCFC HPMPs	Bangladesh	HCFC	HCFC Phaseout Management Plan Related Activities	\$855,113
6c. HCFC HPMPs	Bhutan	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Bolivia	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Brazil	HCFC	HCFC Phaseout Management Plan Related Activities	\$6,320,845
6c. HCFC HPMPs	Cambodia	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Chile	HCFC	HCFC Phaseout Management Plan Related Activities	\$1,319,315
6c. HCFC HPMPs	China	HCFC	HCFC Phaseout Management Plan Related Activities	\$32,468,254
6c. HCFC HPMPs	Colombia	HCFC	HCFC Phaseout Management Plan Related Activities	\$4,925,810
6c. HCFC HPMPs	Costa Rica	HCFC	HCFC Phaseout Management Plan Related Activities	\$1,517,524
6c. HCFC HPMPs	Cuba	HCFC	HCFC Phaseout Management Plan Related Activities	\$627,840
6c. HCFC HPMPs	Dominican R	HCFC	HCFC Phaseout Management Plan Related Activities	\$1,108,428
6c. HCFC HPMPs	Egypt	HCFC	HCFC Phaseout Management Plan Related Activities	\$919,320
6c. HCFC HPMPs	El Salvador	HCFC	HCFC Phaseout Management Plan Related Activities	\$418,560
6c. HCFC HPMPs	Fiji	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Gambia	HCFC	<b>HCFC Phaseout Management Plan Related Activities</b>	\$209,280
6c. HCFC HPMPs	Georgia	HCFC	HCFC Phaseout Management Plan Related Activities	\$418,560
6c. HCFC HPMPs	Ghana	HCFC	HCFC Phaseout Management Plan Related Activities	\$180,704
6c. HCFC HPMPs	India	HCFC	HCFC Phaseout Management Plan Related Activities	\$5,762,291
6c. HCFC HPMPs	Indonesia	HCFC	HCFC Phaseout Management Plan Related Activities	\$2,946,131
6c. HCFC HPMPs	Iran	HCFC	HCFC Phaseout Management Plan Related Activities	\$2,209,822
6c. HCFC HPMPs	Jamaica	HCFC	HCFC Phaseout Management Plan Related Activities	\$418,560
6c. HCFC HPMPs	Kyrgyzstan	HCFC	HCFC Phaseout Management Plan Related Activities	\$627,840
6c. HCFC HPMPs	Lebanon	HCFC	HCFC Phaseout Management Plan Related Activities	\$1,004,764
6c. HCFC HPMPs	Malaysia	HCFC	HCFC Phaseout Management Plan Related Activities	\$3,007,176
6c. HCFC HPMPs	Mali	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Mauritania	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Mexico	HCFC	HCFC Phaseout Management Plan Related Activities	\$7,448,076
6c. HCFC HPMPs	Moldova	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Mozambique	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Nepal	HCFC	HCFC Phaseout Management Plan Related Activities	\$209,280
6c. HCFC HPMPs	Nigeria	HCFC	HCFC Phaseout Management Plan Related Activities	\$1,333,291
6c. HCFC HPMPs	Panama	HCFC	HCFC Phaseout Management Plan Related Activities	\$513,711
6c. HCFC HPMPs	Paraguay	HCFC	HCFC Phaseout Management Plan Related Activities	\$418,560
6c. HCFC HPMPs	Peru	HCFC	HCFC Phaseout Management Plan Related Activities	\$808,165
6c. HCFC HPMPs	Philippines	HCFC	HCFC Phaseout Management Plan Related Activities	\$799,729
6c. HCFC HPMPs	Sri Lanka	HCFC	HCFC Phaseout Management Plan Related Activities	\$418,560
6c. HCFC HPMPs	Swaziland	HCFC	HCFC Phaseout Management Plan Related Activities	\$418,560
6c. HCFC HPMPs	Tanzania	HCFC	HCFC Phaseout Management Plan Related Activities	\$418,560
6c. HCFC HPMPs	Thailand	HCFC	HCFC Phaseout Management Plan Related Activities	\$1,094,139
6c. HCFC HPMPs	Trinidad and	HCFC	HCFC Phaseout Management Plan Related Activities	\$940,616
6c. HCFC HPMPs	Uruguay	HCFC	HCFC Phaseout Management Plan Related Activities	\$438,866
	<b>111</b>			<b>\$86,190,121</b>

<sup>6</sup> As discussed in Section 1, these figures are estimates derived based on preliminary assumptions and existing funding envelope and do not represent actual phase-out cost.

## **5. Activities included in the Business plan that needs special consideration**

While the preceding paragraph 4 of this report dealt specifically with 2010 activities only, section 5 is related to all years.

### **5.1. HCFCs**

UNDP has been a pioneer in initiating work related to HCFCs. In 2006-07, UNDP was the first agency to assist twelve countries to complete their HCFC surveys. Since then, the 19th Meeting of the Parties of the Montreal Protocol took the decision to include HCFCs in the list of substances that are eligible for funding by the Multilateral Fund (MLF). As a result, various decisions were taken by the Executive Committee of the MLF, allowing UNDP to advance quickly in this new area.

In 2008-09, UNDP received approvals of 83 HCFC project preparation (PRP) activities for 38 countries, mostly with a view to formulate HCFC Phase-out Management Plans (HPMPs), HCFC Sector Plans, or individual phase-out projects. In 2010, as most countries have been covered, as far as preparation of HPMPs and other projects. HPMPs and related projects should be approved as soon as possible in order to achieve the 2013 and 2015 HCFC-reduction-benchmarks. UNDP hopes to finalize the remaining HPMPs very soon for approval in 2010 and 2011. The lack of decisions, mainly on cut off date, will delay HPMP submission process for countries with manufacturing capacity.

While four HCFC Technology Validation projects were approved for UNDP in 2009 (two for Brazil, Mexico, and Egypt to test the use of alternative technologies to HCFCs, such as methyl formate, methylal, and hydrocarbons in the Foams, Refrigeration, and Solvents sectors), a few additional demonstration projects are envisaged for two countries (China and Turkey) in 2010. As in the past, a major objective of such types of demonstrations is to find cost-saving methods to the MLF in order to carry out HCFC-investment activities in future years, bearing in mind the impact on climate.

Table 5 above lists the 6 remaining requests for project preparation, while table 6 contains the 4 HCFC pilot- projects that will be submitted in 2010. Detailed information on these new project preparation proposals will be made available in the respective work programme and WP amendments to be submitted in 2010.

### **5.2. Waste Management/Destruction**

For the last several years, the UNDP Montreal Protocol & Chemicals Unit has been requested by countries for support to assist them to manage their stocks of ODS which cannot be reused in a sound way. The potential for recovery, proper management and final disposal of such unwanted ODS and ODS containing appliances/equipments banked, have been proven as being possible in developed countries if the proper legislation and price incentives, as well as business opportunities, exist. However, the applicability of banks management schemes in developed countries needed to also be demonstrated in Article 5 countries. The Executive Committee has approved four preparation activities for Brazil, Colombia, Cuba, and Ghana, to address ODS waste management leading to ODS destruction.

Furthermore, we considered the high probability to find synergies with other sources of funds such as the GEF (via market transformation for EE and appliances replacement).UNDP's GEF programme on energy-efficiency, as related to refrigeration sector is significant and often provides links with ODS-waste management/destruction efforts and brings the volume of waste required for such schemes. The most important point concerning these management schemes is the huge potential for mitigating climate



change and the opportunities to tap into the voluntary carbon market to finance the destruction of ODS banks. The Executive Committee has approved four preparation activities for Brazil, Colombia, Cuba, and Ghana, to address ODS-waste management leading to ODS destruction. Annex 1 (category 7) to this report lists the 5 pilot ODS-Waste projects for which project preparation was already approved, and which we hope to submit in 2010.

### **5.3. Resource Mobilization for Climate Benefits**

In accordance with Executive Committee Decision 59/21, UNDP has kept the request for “resources mobilization for climate benefits” in 2010 and is re-submitting a revised proposal for consideration at the 60<sup>th</sup> Executive Committee meeting. This proposal has been amended to take recent developments into account.

The overall objective of this proposal is for UNDP to explore the different funding solutions and barriers to finance the climate benefits of HCFC phase-out and ODS destruction activities. Specifically, this will focus on non-MLF funding solutions, including funding sources as GEF, the carbon markets (compliance and voluntary), bilateral donors and private sector partners. In seeking to achieve this objective, UNDP will leverage its experience as a *one-stop-shop* in environmental finance, with the emphasis on efficiently and seamlessly bringing together these different funding sources.

This proposal also relates closely to the ongoing work on a possible Special Funding Facility for Additional Income (SFFAI) under the MLF, still to be discussed and decided by the Executive Committee.

UNDP considered the high probability to find synergies with other sources of existing funds such as UNDP’s GEF programme on energy-efficiency, which often provides links with ODS-waste management/destruction efforts and brings the volume of waste required for such schemes. The most important point concerning these management schemes is the huge potential for mitigating climate change and the opportunities to tap into the voluntary carbon market to finance the destruction of ODS banks.

Ozone phase-out programmes have a significant mitigation effect on global warming. We can see clear opportunities for linkages and synergies with climate in at least three areas:

1. Co-funding opportunities in HCFC phase-out where additional climate benefit can be gained by additional investment in technology selection.
2. Bank management and ODS disposal projects, particularly for end-of-life management of appliances.
3. Carbon Finance

For example, there are clear possibilities to use linkages with other programmes, such as market transformation for energy efficiency actions under the GEF, to identify projects and leverage finance. The opportunity exist to also increase access to old appliances in order to ensure ODS collection and recovery and therefore appropriate end-of-life management, tapping into country specific initiatives towards energy savings gains, such as in appliance replacement national programmes, green building initiatives, etc..

Apart from the evaluation of climate benefit itself, the UNDP Montreal Protocol & Chemicals Unit is keen to work with UNDP MDG-Carbon Facility and GEF Climate Change mitigation teams to identify

mechanisms for accessing co-funding; developing robust voluntary market methodologies that will help to enhance the reputation (and value) of credits generated and placed on the carbon market in the face of some concern among some stakeholders that projects involving high-GWP gases are likely to result in a glut of poorly defined credits.

UNDP has recently progressed in the official carbon financing arena which it can leverage to assist in the development of a sound approach to the co-financing of incremental climate benefits resulting from MP interventions in industrial conversion and ODS destruction activities.

The Montreal Protocol & Chemicals Unit has vast experience in the area of ODS projects but has no dedicated budget to seek to apply the carbon financing ‘best practice’ possessed within UNDP via the MDG-Carbon Facility and the GEF climate change mitigation teams. UNDP has made several presentations at Executive Committee and Meeting of the Parties (MOP) meetings throughout 2009 in the hope to facilitate understanding of the needs for a special facility for funding climate benefits and its governance. As mentioned, UNDP had already submitted to the ExCom (at the 58th and 59th meetings) this resource mobilization project proposal. If approved it would help to bridge the knowledge gap that currently exists in this regard and enable better assistance to countries to find funding opportunities for elements not covered under the MLF. UNDP has invested personnel time and efforts in trying to share ideas and knowledge during the discussions. Nevertheless a decision about funding has been postponed to 2010 and we have therefore again re-submitted the amended proposal for attention of the 60th ExCom (as part of UNDP’s work programme).

## **6. Measures to expedite implementation of projects and those critical to compliance**

### **6.1. Phase-out from Approved Ongoing Individual Projects.**

Whatever ongoing individual there may still remain, it should be noted that all CFCs should be phased out by 1 January 2010 so that it doesn’t make sense to list remaining ODP from such projects as was done in previous year. Apart from a few exceptions, most HCFC project would be considered under multi-year agreements rather than as individual projects. Also, HCFC demonstration projects were approved as pilot projects without any phase-out associated to them.

While we therefore feel that this information is not of relevance, we do list the few projects that remain in this category of projects. Kindly also note that information on which projects are completed and which are ongoing is only estimated in this table, as this information will only be fully known at the time of our progress report.

**Table 13** below indicates the amount that will be phased out from approved, ongoing individual projects.

Chemical	MLF Nr	Short Title *	ODP Balance			
			2010	2011	2012	2013
CFC	BGD/ARS/52/INV/26	MDI Investment Program		76.3		
CFC	CHI/FOA/48/INV/161	Terminal umbrella for foam	15.0			
CFC	CHI/REF/48/INV/160	Terminal umbrella for manuf in refrigeration	10.7			
CFC	COL/ARS/56/INV/71	Manufacturing of MDIs		7.4		
CFC	IND/ARS/56/INV/423	Manufacturing of MDIs				564.6
CFC	PAK/ARS/56/INV/71	Manufacturing of MDIs		83.8		
CFC	URU/ARS/43/INV/42	Manufacture of MDIs	10.0			
CTC	CHI/SOL/41/TAS/154	TAS for Solvents	2.1			
CTC	COL/PAG/48/INV/66	CTC as process agent at Prodesal S.A.	2.0			
Halons	DOM/HAL/51/TAS/39	National halon bank update		1.2		
MeBr	FIJ/FUM/47/TAS/17	TAS for methyl bromide	2.1			
MeBr	MAL/FUM/43/TAS/151	TAS for non-QPS uses of MeBr	4.7			
HCFC	MEX/FOA/59/INV/148	HCFC-141b phaseout in dom ref at Mabe				55.8
			46.6	168.7	0	620.4

As can be seen, most of the CFCs remaining in this table comes from ongoing MDI projects and correspond to consumption measured *at time of project approval*. This shows why we believe the above table is of little relevance.

## **6.2. Strengthening the Network of UNDP staff and Experts in the Field and Challenges**

- During 2009, UNDP continued its efforts to reinforce its capacities both at the field level and at HQ in anticipation of work related to HPMPs. The UNDP Montreal Protocol & Chemicals Unit, added one outpost technical position in Bangkok, and maintained the ones in Bratislava and Panama. In addition MPU has continued strengthening its presence in the field in regions where the bulk of HPMP work will be carried out, mainly Asia and Latin America, where additional staff were placed at country offices in 2009 to assist with the increasing workload due to the phase out of HCFCs activities and our lead implementing agency role in so many large consuming countries. These measures will allow for better monitoring and trouble-shooting assistance at the field level. MPU also continues to strive to improve its capacity at headquarters to assist with recruitments and contracting, be it at the global level or to provide specific assistance at the national level. Specifically, UNDP has recruited one additional professional staff at Headquarters and is finalizing the recruitment of another professional to be on board before June 2010.
- As far as technical support to countries, UNDP has introduced for approval at the 21 January 2010 meeting of the UNDP Contracts, Assets, and Procurement Committee (CAP) a proposal for a competitive selection process for “bulk recruitment” of experts and succeeded in getting this modality approved. This will enable the Unit to issue individual contracts for the selected experts, when the countries need them for assignments during the next three years, and without having to go through individual and long procurement processes. This exercise has led to a roster of 45 experts in various fields: foams, refrigeration, solvents, MDI, energy efficiency, carbon markets, etc... This roster is also at the disposition of Country Offices who can recruit these experts without undertaking further competitive process.
- With regards to procurement of the very specialized equipment required for Montreal Protocol projects, MPU ( through its Programme Support Unit based in New York) is also offering its assistance to Country Offices to undertake the bidding and evaluation part of the purchasing process from New York, when needed.

- MPU's strategy remains deeply rooted in the "Country Driven" concept: working consistently with national experts and institutions, and national Governments, so as to better address the needs of countries and speed up response time at the field level; conducting monitoring and evaluation of multi-year performance-based phase-out projects with agreements in close cooperation with national experts and government focal points as well as with other IAs; and continuing with the National Execution (NEX) modality, that serves to enhance the role of national experts and national institutions, and thereby building national capacity.
- UNDP wishes to emphasize again that while it believes that enhanced field presence allows for more direct supervision of activities, UNDP continues to encounter difficulties to work in some countries, mainly LVCs, where the current (and future) portfolio of projects does not bring the level of support cost that allow for reimbursing the country office at a rate that would bring sufficient level of monitoring and/or allow for the level of consultancy components to ensure smooth implementation. UNDP will have to consider these situations on a case by case basis in future.
- Finally, UNDP will continue to focus on following up with executing agencies and country offices to financially close outstanding operationally completed projects in order to return remaining funds to MLF. Our finance team will continue to ensure adequate management of financial reporting and follow-up on requirements related to the implementation of national and sector phase-out plans, and maintain close contacts with the Secretariat and Treasurer.

### **6.3. Management and Supervision of National/Sector Plans**

There are currently 42 ongoing Performance Based National and Sector Plans with UNDP.

- UNDP will continue to assist the countries in which it is implementing national and sector phase-out plans to establish and sustain the infrastructure for the National Implementation and Monitoring/Management Units approved under the national/sector Plans, working closely with Government and operating under MLF and UNDP guidelines related to procurement of goods, data verification requirements, proper financial management and auditing, as well as required reporting on the progress of the Plans.
- National ODS legislative and regulatory frameworks are assessed and, if deemed inadequate to support and sustain the target reductions contained in a performance-base agreement, are presented to the relevant Government authorities with suggested revisions. Monitoring of ODS imports and distribution will continue to be strengthened as a mechanism to prevent enterprises (who have converted) from making future purchases of these ODS. UNDP will also continue to assist countries put in place, or strengthen, verification mechanisms, both from a top-down approach - ensuring that appropriate licensing systems are in place, as well as a bottom-up approach – supporting enhancement of government registries that detail purchasers of ODS, as well as enterprises that have been assisted by the Fund.
- As far as meeting agreed targets, UNDP and Government staff will continue to work in partnership to establish the mechanisms for preparation of projects to be funded under the Plans (in accordance with MLF guidelines, independent technical reviews etc.), as well as to monitor their implementation (procurement of equipment/materials, list of equipment to be destroyed, technology selection regulations, etc.). Reports on progress, key to measuring success of implementation and phase-out, as well as identifying challenges, are the result of a collaborative effort between National Management teams and UNDP.

UNDP believes that the aforementioned measures will continue to assist countries to expedite implementation of ongoing programmes and also enable them to efficiently implement the upcoming HPMPs. Specific ODP related information on on-going UNDP projects, on a country-by-country basis, has been provided as part of the BP tables.

The measures above are intended, as before, to be extended to all programming, on-going and planned programmes, so as to maintain momentum, accelerate implementation where required, improve supervision, as well as financial accountability, at the field level.

Since the workload has risen significantly due to the new control measures related to HCFCs, and as already mentioned, MPU has addressed and continue to address the need for additional staff and finding ways to facilitate procurement and technology transfer processes to ensure speedy implementation. Therefore changes are ongoing in the MPU business model, such as new staff recruitment, an improved roster of internal and external partners and experts, as well as greater internal partnerships across focal areas. UNDP senior management has offered full support to the MPU team to address these issues as they understand that the overall success of this programme will not only help countries to comply with the accelerated phase-out of HCFCs but will also bring significant climate mitigation benefits.

#### **6.4. Country Developments and UNDP Efforts to Address Compliance**

##### **6.4.1. UNDP efforts in countries addressed by the Implementation Committee and by the MOP**

UNDP is continuing to assist countries address their compliance commitments, following issues raised by the Implementation Committee in 2009 and corresponding decisions taken by the 21<sup>st</sup> Meeting of the Parties. These include countries where UNDP manages the Institutional Strengthening programmes, as well as countries where UNDP is playing a significant role in a particular sector. In addition to the measures mentioned above, there are no new compliance issues for UNDP countries as discussed in the last Implementation Committee and MOP meetings in Egypt, with the exception of Bangladesh, listed below:

In 2009, UNDP continued its support to Bangladesh for expediting implementation of the national ODS phase-out plan and the MDI project, in close collaboration with government, industry and UNEP, the partner agency:

- UNDP introduced a fast-track mechanism for executing enterprise/field-level activities in mid-2009, followed by a high-level mission in June 2009, jointly with UNEP, to ensure buy-in from decision makers in the government on the importance of country initiatives for the MDI projects
- UNDP assisted Bangladesh in preparing a plan of action to reduce dependence on CFCs both in servicing as well as in MDI manufacturing, including exploring reclaimed CFCs and drop-in substitutes
- A second high-level mission was arranged jointly with UNEP in October 2009, with the participation of the ExCom Chair, Chief Officer of the MLF, President of the Implementation Committee, Ozone Secretariat and the UN Resident Coordinator. This helped consolidate the government's commitment to make every effort to ensure quick and coordinated actions to support execution of field-level activities
- Memorandum of Agreement (MOA) between government and the three MDI manufacturers was signed in October 2009. Two of the three MDI manufacturers already launched two non-CFC MDI formulations during the remainder of 2009.
- UNDP is working closely with government and UNEP, to ensure completion of the remaining activities under the national ODS phase-out plan.

##### **6.4.2. UNDP efforts to support verification of Article 7 data (in support of Decision 41/16)**

As part of the activities that UNDP will continue to undertake in 2010, and as done in the past for UNDP-IS countries, UNDP will continue to work with National Ozone Units in partner countries to verify the consistency of their Article 7 data reporting and project phase-out data presented. The underlying aim of such an exercise is to ensure the accuracy of data in order to facilitate verification of phase-out

achievements and identify potential and/or existing problem areas, such that remedial action, as necessary, may be initiated. In addition, lessons learned and recommendations gathered from independent verification reports are taken into consideration by UNDP and partner Governments in order to enhance reliability and consistency of data reporting.

## 7. 2010 PERFORMANCE INDICATORS

Decision 41/93 of the Executive Committee approved the following indicators to allow for the evaluation of performance of implementing agencies, with the weightings indicated in the table below. UNDP has added a column containing the “2010 targets” for those indicators. Some of these targets can be extracted from UNDP’s 2010 business plan to be approved at the 60th ExCom meeting in April 2010. It should however be noted that this table is usually being revised at that meeting, depending on the decisions that are taken. Also, most indicators can better be determined at the time the progress report is submitted in May 2010.

Category of performance indicator	Item	Weight	UNDP’s target for 2010	Remark
Approval	Number of annual programmes of multi-year agreements approved vs. those planned (new plus tranches of ongoing MYAs).	20	45	(1 from table-9 + 44 countries listed in table 10; we assumed that on average, one MYA would be submitted per country listed even though for some there are only individual INV projects and for others there may be more than one sector plans.)
Approval	Number of individual projects/activities (DEM, INV, TAS, one-off TPMPs, TRA, IS) approved vs. those planned	20	15	(1 Global TAS, 4 HCFC-Demos, 5 ODS-Waste Demos, 5 individual INV-projects)
Implementation	Milestone activities completed /ODS levels achieved for approved multi-year annual tranches vs. those planned	20	9	(See paragraph 4.5 above → 1 milestone per ongoing MYA)
Implementation*	ODP phased-out for individual projects vs. those planned per progress reports	5	tbd	Will be known when submitting progress report
Implementation*	Project completion (pursuant to Decision 28/2 for investment projects) and as defined for non-investment projects vs. those planned in progress reports	5	tbd	This can be better determined after progress report is submitted in May.
Implementation	Percentage of policy/regulatory assistance completed vs. that planned	10	100%	1 out of 1 country with compliance issues as listed in paragraph 6.4.1. will have received policy assistance by UNDP
Administrative	Speed of financial completion vs. that required per progress report completion dates	10	On time	
Administrative*	Timely submission of project completion reports vs. those agreed	5	On time	
Administrative*	Timely submission of progress reports and responses unless otherwise agreed	5	On time	

Note: tbd = to be determined