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**Twenty-Sixth Meeting of the Parties to  
the Montreal Protocol on Substances  
that Deplete the Ozone Layer**

Paris, 17–21 November 2014

Item 4 of the provisional agenda of the high-level segment<sup>1</sup>

**Presentation by the Chair of the Executive Committee  
of the Multilateral Fund on the work of the Executive  
Committee**

**REPORT OF THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL TO THE TWENTY-SIXTH  
MEETING OF THE PARTIES**

**Introduction**

1. The present report covers the activities undertaken by the Executive Committee since the Twenty-Fifth Meeting of the Parties<sup>2</sup> and consists of three parts dealing with: policy matters; projects, their implementation and monitoring; and business planning, administrative and financial matters. By decision 70/23, the Executive Committee decided to hold two meetings during 2014 on a trial basis. Accordingly, during the reporting period, the 71<sup>st</sup> meeting of the Executive Committee was held in Montreal from 2 to 6 December 2013, while the 72<sup>nd</sup> and 73<sup>rd</sup> meetings were held in Montreal and Paris from 12 to 16 May and 9 to 13 November 2014, respectively. The reports<sup>3</sup> of those meetings are available on the Multilateral Fund's web site ([www.multilateralfund.org](http://www.multilateralfund.org)).

**Attendance**

2. The 71<sup>st</sup> meeting was attended<sup>4</sup> by Belgium, Canada, Finland, Japan, the United Kingdom of Great Britain and Northern Ireland and the United States of America, representing parties not operating under paragraph 1 of Article 5 of the Montreal Protocol (non-Article 5 parties), and by India, Kuwait, Mali,

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<sup>1</sup> UNEP/OzL.Pro. 26/1/Rev.1.

<sup>2</sup> The terms of reference of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol (UNEP/OzL.Pro.9/12, Annex V) require the Executive Committee to report annually to the Meeting of the Parties.

<sup>3</sup> UNEP/OzL.Pro/ExCom/71/64 and Corr.1, UNEP/OzL.Pro/ExCom/72/47 and Corr.1, and UNEP/OzL.Pro/ExCom/73/62.

<sup>4</sup> In accordance with decision XXIV/22.

Nicaragua, Serbia, Uganda and Uruguay, representing parties operating under paragraph 1 of Article 5 (Article 5 parties), and was chaired by Ms. Fiona Walters (United Kingdom of Great Britain and Northern Ireland), with Ms. Sonya Ruzin (Serbia) as Vice-Chair.

3. The 72<sup>nd</sup> and 73<sup>rd</sup> meetings were attended<sup>5</sup> by Australia, Belgium, Italy, Japan, the Russian Federation, Sweden and the United States of America, representing non-Article 5 parties, and by China, the Comoros, Grenada, Mauritius, Nicaragua, Saudi Arabia and Uruguay, representing Article 5 parties, and were chaired by Mr. Premhans Jhugroo (Mauritius), with Mr. John Thompson (United States of America) as Vice-Chair.

4. All the meetings within the reporting period were also attended by representatives of the implementing agencies, namely, the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), both as implementing agency and Treasurer of the Multilateral Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank, and by representatives of the Ozone Secretariat and other observers.

## I. POLICY MATTERS

5. Bearing in mind the target of 10 per cent reduction in the baseline consumption and production of HCFCs for 1 January 2015, governments, bilateral and implementing agencies and the Secretariat continued to work intensively during the period under review on preparing and monitoring implementation of HCFC phase-out management plans (HPMPs) and of an HCFC production phase-out management plan (HPPMP). Since approval of the first HPMP at the 60<sup>th</sup>, 140 HPMPs for Article 5 parties had been approved, along with the first HPPMP, which was approved at the 69<sup>th</sup> meeting. Only five HPMPs for Article 5 parties still remained to be adopted.

6. In addition to the actions taken to implement decisions of Meetings of the Parties, the Executive Committee took decisions on a number of policy issues that had arisen in the course of reviewing and implementing projects. Further details on all these aspects can be found below.

### (i) Guidelines and criteria for funding

7. During the reporting period, the Executive Committee pursued its efforts to assist parties in preparing their HPMPs, in accordance with decisions XIX/6 and XXI/9 of the Meetings of the Parties. The latter decision had also called on the Executive Committee, as a matter of urgency, to expedite the finalization of its guidelines on HCFCs. The contact group established at the 70<sup>th</sup> meeting to discuss the draft guidelines<sup>6</sup> continued its work in the margins of the 71<sup>st</sup> meeting. After hearing its report, the meeting approved guidelines for funding the preparation of stage II of HPMPs, as set out in decision 71/42, identifying the criteria for submitting requests for project preparation funding.

8. In discussing the criteria for funding HCFC phase-out in the consumption sector for stage II of HPMPs, the 71<sup>st</sup> meeting noted a document<sup>7</sup> prepared by the Secretariat in response to a request made at the 70<sup>th</sup> meeting containing additional information provided by relevant implementing agencies regarding incremental capital and operating costs incurred under stage I of HPMPs. The 72<sup>nd</sup> meeting discussed

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<sup>5</sup> In accordance with decision XXV/18.

<sup>6</sup> UNEP/OzL.Pro/ExCom/71/55.

<sup>7</sup> UNEP/OzL.Pro/ExCom/71/57.

whether the existing guidelines for approval of HPMPs needed to be amended for approval of stage II, even though they had already been applied to stage II in some cases. With a view to enabling the Secretariat to prepare a document for the 73<sup>rd</sup> meeting, members were invited to submit any additional information they considered necessary (decision 72/39).

9. On that basis of that document, discussions continued at the 73<sup>rd</sup> meeting on issues such as: the efforts required from small and medium-sized enterprises; the necessary amount for funding incremental operating costs; the view that all or most of the criteria for stage I were sufficient for stage II, as they had been the result of long negotiations and compromise; the fact that the cost-effectiveness of projects approved to date were at or below the cost-effectiveness thresholds; the cut-off date for eligibility; the date of last conversion; the level of increase in funding required to facilitate the introduction of alternatives with low global-warming potential (GWP); and the level of funding required for the refrigeration servicing sector in low-volume-consuming (LVC) countries. Unable to reach consensus, the Executive Committee decided to continue its consideration of the criteria for funding HCFC phase-out in the consumption sector for stage II of HPMPs at its 74<sup>th</sup> meeting (decision 73/64).

**(ii) Submission of an agreement for stage II of an HPMP when stage I was still ongoing**

10. It was emphasized at the 72<sup>nd</sup> meeting that there needed to be a common understanding on whether stages of an HPMP should be seen from the financial perspective as separate entities or as part of a unique continuous project until complete phase-out of HCFCs had been achieved. Accordingly, the Secretariat sought guidance from the Committee on whether any of the options presented in the document<sup>8</sup> submitted to the meeting could be considered when preparing agreements for stage II of an HPMP. The Executive Committee agreed that it was a complex issue that had to be considered carefully and therefore requested the Secretariat to consider further how to formulate a stage II agreement for an HPMP when there was an overlap with stage I, based on the views expressed by the Executive Committee, and to submit a recommendation to the 73<sup>rd</sup> meeting (decision 72/23).

11. On the basis of that recommendation<sup>9</sup>, at its 73<sup>rd</sup> meeting, the Executive Committee, by decision 73/33, decided to request bilateral and implementing agencies to use the Agreement for stage II of the HPMP for Mexico, which was approved at the same meeting (decision 73/58), as a template for the Agreement for stage II of HPMPs. The Secretariat was requested to review the template for Agreements on stage II of HPMPs once discussions on criteria for funding HCFC phase-out in the consumption sector for stage II of HPMPs and the 20 per cent disbursement threshold had been completed.

**(iii) Requests for preparatory funding for stage II of HPMPs**

12. At the 72<sup>nd</sup> meeting there was discussion as to whether, when considering preparatory funding for stage II of HPMPs, clearer explanations were needed as to why in some cases countries that had received project preparation funds for a given sector in stage I of their HPMPs but had not included that sector in the first stage were being recommended for further preparation funds for that same sector in stage II, and whether the funds provided for stage I and not used had been returned to the Multilateral Fund. It was also unclear whether requests for additional preparatory funds related solely to achieving the 2020 compliance target, as stipulated in the guidelines, or whether they included targets beyond 2020. Following informal discussions in the margins of the meeting, the Executive Committee decided to remind bilateral and

<sup>8</sup> UNEP/OzL.Pro/ExCom/72/12.

<sup>9</sup> UNEP/OzL.Pro/ExCom/73/24.

implementing agencies and Article 5 parties to prioritize the phase-out of HCFC-141b and compliance with the 2020 target when requesting and using project preparation funds for projects in non-LVC countries (decision 72/18).

**(iv) Alternatives to ODS**

13. Pursuant to decision XXV/5<sup>10</sup>, the Secretariat was requested to prepare an overview of approved HCFC demonstration projects, together with a discussion paper on options for a number of additional projects to demonstrate climate-friendly and energy-efficient alternative technologies to HCFCs, including not-in-kind technologies, for discussion at the 72<sup>nd</sup> meeting (decision 71/51(a)). The 72<sup>nd</sup> meeting therefore reviewed the HCFC demonstration projects approved to date and options for additional projects to demonstrate climate-friendly and energy-efficient technologies. The 14 HCFC demonstration projects already approved had been successful in facilitating the introduction of new low-GWP technologies as alternatives in HPMPs and the Secretariat had concluded that there was no urgent need for additional demonstration projects<sup>11</sup>. It was noted that HCFC demonstration projects often involved the development of new technologies by Article 5 parties and the inherent lack of pre-existing expertise entailed certain challenges when it came to adapting such technologies for other countries.

14. Following the report from a contact group, the Executive Committee decided to consider at its 75<sup>th</sup> and 76<sup>th</sup> meetings proposals for demonstration projects for low-GWP alternatives to HCFCs and adopted criteria for the selection of demonstration projects, at a total level of funding that would not exceed US \$10 million, as set out in decision 72/40. Bilateral and implementing agencies were invited to make proposals for a maximum of four feasibility studies on district cooling no later than the 75<sup>th</sup> meeting, with a limit of US \$100,000 for each study, and it was agreed that further funding beyond the feasibility studies would not be considered. The Secretariat was requested to prepare a paper analysing the remaining eligible HCFC consumption in various sectors and subsectors of potential demonstration relevance for consideration at the 74<sup>th</sup> meeting (decision 72/40). At the 73<sup>rd</sup> meeting, additional guidance was provided to ensure that the best proposals for demonstration projects were submitted to the Executive Committee<sup>12</sup>.

**(v) Additional activities to maximize climate benefits in the HCFC production sector**

15. At the 71<sup>st</sup> meeting, the Executive Committee decided that the 72<sup>nd</sup> meeting should address additional activities to maximize climate benefits in the HCFC production sector (decision 71/51(b)). The 72<sup>nd</sup> meeting heard a brief summary of issues related to the emission of by-products with high-GWP in the HCFC production sector. It was pointed out that the Meeting of the Parties was currently debating the matter and that HFC-23 was not at present a controlled substance under the Montreal Protocol. Substantial interest was expressed in the option of destroying HFC-23 in on-site/off-site incineration facilities, although the issues of cost, the duration of any potential Multilateral Fund support for such activities and thus of the sustainability of such an approach were raised. Based on a document<sup>13</sup> prepared by the Secretariat, informal discussions had been held in the margins of the meeting; however, the Executive Committee was unable to reach consensus and took note of the document.

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<sup>10</sup> This decision, *inter alia*, requested the Executive Committee to consider the information provided in the report on additional information on alternatives to ODS prepared by the Technology and Economic Assessment Panel pursuant to decision XXIV/7 and other related reports.

<sup>11</sup> UNEP/OzL.Pro/ExCom/72/40.

<sup>12</sup> Paragraph 97 of document UNEP/OzL.Pro/ExCom/73/62.

<sup>13</sup> UNEP/OzL.Pro/ExCom/72/41.

**(vi) Minimizing adverse climate impact of HCFC phase-out in the refrigeration servicing sector**

16. The 71<sup>st</sup> meeting considered a document<sup>14</sup> summarizing the discussion that had taken place at the 70<sup>th</sup> meeting on minimizing the adverse climate impact of HCFC phase-out in the refrigeration servicing sector and, following an exchange of views, decided to defer its consideration to the 72<sup>nd</sup> meeting (decision 71/43).

17. After noting the documents<sup>15</sup> prepared by the Secretariat, the 72<sup>nd</sup> meeting urged bilateral and implementing agencies to continue to apply ingenuity in addressing HCFC phase-out in the servicing sector to ensure increased energy efficiency, as well as a reduction in emissions, and to consider the information contained in those documents when assisting Article 5 parties in the preparation and implementation of activities in the refrigeration servicing sector contained in their HPMPs. Article 5 parties, when implementing their HPMPs, were invited to consider a number of measures, as set out in decision 72/41.

**(vii) Progress report on the Multilateral Fund Climate Impact Indicator (MCII)**

18. During discussion of the MCII<sup>16</sup> at the 72<sup>nd</sup> meeting, some members expressed the view that additional input was needed, whereas others felt that the MCII was useful as it was. The Secretariat would send a letter to Executive Committee members inviting further comments on the MCII to be incorporated into the report to be presented to the 73<sup>rd</sup> meeting pursuant to decision 69/23.

19. The 73<sup>rd</sup> meeting considered that report<sup>17</sup>, which addressed the finalization of the MCII as well as the results of the three independent technical reviews of the MCII in line with decision 69/23(c). On that basis the Executive Committee requested the Secretariat to take into consideration, in finalizing the MCII, both the recommendations provided by the technical experts and the fifth assessment report of the Intergovernmental Panel on Climate Change (IPCC). The Executive Committee requested the Secretariat to share the MCII tool with the IPCC and to invite feedback on the tool from the World Bank in the context of its work with other Multilateral Development Banks to harmonize greenhouse gas accounting across their investment portfolios, and its work on energy subsidy reform (decision 73/65).

**(viii) Fund disbursement**

20. It was recalled at the 71<sup>st</sup> meeting that the main reason for tranche submission delays was failure to meet the required 20 per cent disbursement threshold for the previous tranche of stage I of an HPMP. The need for a common understanding on the application of the 20 per cent disbursement threshold was underlined. The Executive Committee therefore decided to confirm that achievement of the 20 per cent disbursement threshold should be determined in terms of the level of disbursement to final beneficiaries, where applicable. The Secretariat was requested to review the application of the threshold provision with a view to clarifying it and ensuring its consistent application, and to enable consideration of alternative options for defining pre-conditions for submission of multi-year tranches (decision 71/29).

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<sup>14</sup> UNEP/OzL.Pro/ExCom/71/56.

<sup>15</sup> UNEP/OzL.Pro/ExCom/70/53/Rev.1 and UNEP/OzL.Pro/ExCom/72/42.

<sup>16</sup> UNEP/OzL.Pro/ExCom/72/43.

<sup>17</sup> UNEP/OzL.Pro/ExCom/73/53.

21. The difficulties sometimes encountered in achieving a 20 per cent disbursement threshold level for a tranche before funds could be released for subsequent tranches were addressed by the 72<sup>nd</sup> meeting<sup>18</sup> and possible alternatives discussed. The Secretariat was requested to continue assessing different modalities for the fund disbursement threshold and to inform the Executive Committee of the results of the analysis no later than the first meeting in 2015. The 20 per cent disbursement threshold would continue to be used as a requirement for the approval of tranches of HPMPs and, on an exceptional basis, bilateral and implementing agencies would be allowed to submit information on disbursements related to tranches up to six weeks before the 73<sup>rd</sup> and 74<sup>th</sup> meetings (decision 72/24).

22. The 71<sup>st</sup> meeting discussed, in particular, disbursement modalities for the HPMP in China and, after considering the document<sup>19</sup> prepared by the Secretariat with input from the implementing agencies, requested the Secretariat, in cooperation with the implementing agencies, to continue its work and to report any additional information to the 72<sup>nd</sup> meeting (decision 71/44). The 72<sup>nd</sup> meeting was informed of the modality that had been developed by UNDP and the Government of China for the disbursement of funding<sup>20</sup>. The Executive Committee requested the Secretariat, in collaboration with the implementing agencies and the Treasurer, to consider the options on the timing of the disbursement of funds under stage II of the HPMP for China and to report on the matter to the 73<sup>rd</sup> meeting (decision 72/38).

23. Noting that report, at its 73<sup>rd</sup> meeting<sup>21</sup>, the Executive Committee decided to request implementing agencies to continue monitoring the disbursement of the approved funds during stage I of the HPMP for China; and to include, when submitting stage II of the HPMP for China to the Executive Committee for consideration, the respective disbursement modality agreed on with the Government of China, along with the specific milestones that would allow for the disbursement of funds to the Government of China closer to the time when they were needed (decision 73/63).

**(ix) Retrofit of existing HCFC-based refrigeration and air-conditioning equipment to flammable or toxic refrigerants**

24. The issue of retrofit of existing equipment to hydrocarbon (HC) technology was taken up by the 72<sup>nd</sup> meeting<sup>22</sup>. In view of the divergent opinions expressed regarding retrofitting, a contact group was convened to discuss the Montreal Protocol's approach to retrofitting existing refrigeration and air-conditioning equipment to HC technology. After hearing the report of the contact group, the Executive Committee decided that text should be added to approval of HPMPs, tranches, projects or activities that proposed the retrofit of HCFC-based refrigeration and air-conditioning equipment to flammable or toxic refrigerants to the effect that, if the country engaged in retrofitting HCFC-based refrigeration and air-conditioning equipment to flammable or toxic refrigerants and associated servicing, it did so on the understanding that it assumed all associated responsibilities and risks (decision 72/17).

25. Providing further guidance after discussions at its 73<sup>rd</sup> meeting<sup>23</sup>, the Executive Committee decided that, if a country were to decide, after taking into account decision 72/17, to proceed with retrofits that

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<sup>18</sup> UNEP/OzL.Pro/ExCom/72/12.

<sup>19</sup> UNEP/OzL.Pro/ExCom/71/58.

<sup>20</sup> UNEP/OzL.Pro/ExCom/72/38.

<sup>21</sup> UNEP/OzL.Pro/ExCom/73/52.

<sup>22</sup> UNEP/OzL.Pro/ExCom/72/12.

<sup>23</sup> UNEP/OzL.Pro/ExCom/73/24.

used flammable substances in equipment originally designed for non-flammable substances, it should be done only in accordance with the relevant standards and protocols (decision 73/34).

**(x) Sub-group on the Production Sector**

26. The Sub-group on the Production Sector met in the margins of all the meetings during the reporting period. During the 71<sup>st</sup> meeting, it reached agreement on all issues except the draft HCFC production sector guidelines<sup>24</sup>. The HPPMP for China had been approved at the 69<sup>th</sup> meeting, but additional discussion had been required in order to finalize the framework Agreement for total phase-out in the production sector and the conditions for stage I, which were approved during the 71<sup>st</sup> meeting (decision 71/49). The modifications to China's CFC production sector phase-out plan to permit exemptions for the production of CFCs for essential uses approved for other parties for 2014 were approved by the Sub-group and adopted by the 71<sup>st</sup> meeting (decision 71/50).

27. At the 72<sup>nd</sup> meeting, the Sub-group addressed all the issues on its agenda and continued deliberating on the draft HCFC production sector guidelines; some issues were resolved, but more time was needed to address the remaining elements. After hearing the report<sup>25</sup> of the Sub-group, the Executive Committee requested the World Bank, on behalf of the Government of China, to resubmit the Addendum to the HPPMP for China to the 73<sup>rd</sup> meeting of the Executive Committee, including a number of elements as set out in decision 72/44.

28. The 72<sup>nd</sup> meeting approved the 2014 tranche of the HPPMP for China, noting that funds used in stage I of the HPPMP from the CFC production sector would be reimbursed by funds from the HPPMP. The World Bank was requested to provide the remaining information requested by the Secretariat in relation to activities funded by the Multilateral Fund as soon as possible and, together with the Secretariat, to update the format for future submission of annual implementation plans and progress reports for the HPPMP (decision 72/45).

29. At the 73<sup>rd</sup> meeting, the Sub-group addressed most of the items on its agenda, but had insufficient time to address further the draft HCFC production sector guidelines, deferring consideration to its next meeting. Having received from the World Bank the remaining information requested by the Secretariat in relation to activities funded by the Multilateral Fund, after hearing the report of the Sub-group on the Production Sector<sup>26</sup>, the Executive Committee, noting that no new HCFC production plants or production lines had been established by China for ODS or feedstock between 2010 and the 73<sup>rd</sup> meeting, requested notification by the Government of China should any additional HCFC production lines were established beyond those covered in its Agreement with the Executive Committee (decision 73/72). Also noting that the 2013 verification report on HCFC production and consumption indicated that China had remained within its maximum allowable production and consumption targets for that year, the Executive Committee encouraged the Government of China to request HCFC producers in the country in future verifications to provide export-related documents for each shipment claimed as an export and to specify the use of HCFC sales in sales contracts. The Committee also decided to allow submission of the request for the funding tranche of the 2015 annual implementation programme of stage I of the HPPMP for China to the 74<sup>th</sup> meeting (decision 73/73).

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<sup>24</sup> UNEP/OzL.Pro/ExCom/71/63.

<sup>25</sup> UNEP/OzL.Pro/ExCom/72/46.

<sup>26</sup> UNEP/OzL.Pro/ExCom/73/61.

30. With regard to the format for future submission of annual implementation plans and progress reports for the HPPMP, the 73<sup>rd</sup> meeting noted that the World Bank would use the draft format on an interim basis when preparing the 2015 tranche funding related to the HPPMP for China to be submitted to the 74<sup>th</sup> meeting; in the meantime, the Secretariat was requested to prepare an updated format for progress reports and annual implementation plans for the HPPMP for consideration by the 74<sup>th</sup> meeting (decision 73/74). In doing so, it should take into account the lessons learned by the World Bank in using it on an interim basis.

## II. PROJECTS, THEIR IMPLEMENTATION AND MONITORING

### (i) Fund achievement since inception

31. Since 1991, 7,193 projects and activities (excluding cancelled and transferred projects) had been approved, with the following geographical distribution 2,963 projects and activities for countries in Asia and the Pacific; 1,794 for countries in Latin America and the Caribbean; 1,686 for countries in Africa, 445 for countries in Europe; and 305 with global coverage. Of the 461,608 tonnes of ODS to be eliminated once all these projects have been implemented, a total of 453,745 tonnes of ODS had already been phased out (including consumption and production). The sectoral distribution of phase-out in all approved projects and activities and funds approved since inception is shown in the table below:

Sector	Consumption ODP tonnes approved*	Consumption ODP tonnes phased out*	Production ODP tonnes approved*	Production ODP tonnes phased out*	Funds approved* (US \$)
Aerosol	27,808	27,050	0	0	94,003,328
Destruction	45	35	0	0	12,466,592
Fire Fighting	0		0		53,500
Foam	68,882	65,877	0	0	442,815,459
Fumigant	8,363	7,299	0	0	137,870,982
Halon	39,380	46,423	30,381	41,958	91,017,994
Multi-sector	670	455	0	0	2,772,673
Other	1,530	1,574	0	0	17,381,709
Process agent	19,573	6,090	51,935	49,344	130,286,738
Phase-out plan	48,206	47,198	11,206	10,988	724,867,456
Production	0	0	91,940	89,936	401,012,610
Refrigeration	53,569	51,425	0	0	594,469,949
Several	753	714	0	0	371,805,813
Solvent	7,313	7,320	0	0	108,702,757
Sterilant	55	60	0	0	1,204,469
<b>Total</b>	<b>276,146</b>	<b>261,519</b>	<b>185,462</b>	<b>192,226</b>	<b>3,130,732,030</b>

\* Excluding cancelled and transferred projects and including agency support costs, where applicable.

32. The total funds approved by the Executive Committee since 1991 in order to achieve the phase-out of ODS and to implement both ongoing investment projects and all non-investment projects and activities amounted to US \$3,130,732,030, including US \$319,709,166 for agency support costs (excluding cancelled and transferred projects). Of the total project funds approved, the amounts allocated to, and disbursed by, each of the implementing agencies and bilateral agencies, are indicated in the table below:

<b>Agency</b>	<b>Funds approved* (US \$)</b>	<b>Agency support costs* (US \$)</b>	<b>Funds disbursed ** (US \$)</b>
Bilateral	138,861,648	12,812,829	133,586,230
UNDP	672,261,599	91,404,935	658,674,476
UNEP	241,733,909	20,773,477	213,539,558
UNIDO	702,419,743	89,599,729	660,730,487
World Bank	1,055,745,964	105,118,195	1,049,139,465
<b>Total</b>	<b>2,811,022,863</b>	<b>319,709,166</b>	<b>2,715,670,216</b>

\* As at 14 November 2014 (excluding cancelled and transferred projects)

\*\* As at 31 December 2013 (excluding cancelled and transferred projects)

**(ii) Projects and activities approved during the reporting period (71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings of the Executive Committee)**

33. During the reporting period, the Executive Committee approved a total of 337 additional projects and activities, with a planned phase-out of 1,999 ODP tonnes in the production and consumption of controlled substances amounting to US \$204,961,632, including US \$24,322,005 for agency support costs as per the table below:

<b>Agency</b>	<b>Funds approved (US \$)</b>	<b>Agency support cost (US \$)</b>	<b>Total (US \$)</b>
Bilateral	4,177,359	515,990	4,693,349
UNDP	54,706,288	7,962,321	62,668,609
UNEP	26,430,683	1,936,007	28,366,690
UNIDO	46,781,181	7,348,370	54,129,551
World Bank	48,544,116	6,559,317	55,103,433
<b>Total</b>	<b>180,639,627</b>	<b>24,322,005</b>	<b>204,961,632</b>

Investment projects

34. Of the total funds approved in the period under review, the Executive Committee allocated US \$147,699,135, including US \$9,660,109 for agency support costs, for the implementation of investment projects to eliminate an estimated quantity of 1,967 ODP tonnes in consumption of ODS.

35. During the reporting period, the Executive Committee approved the first tranches of stage I of the HPMPs for two non-LVC countries, second tranches of stage I of the HPMPs or HPPMP for 42 countries, third tranches for 10 countries, fourth tranches for five countries, fifth tranche for one country, and the first tranche of stage II of an HPMP for one country, together with the corresponding agreements. Commitments in principle totalled US \$714,532,863. US \$148,969,366, including US \$9,846,719 in agency support costs, were approved during the reporting period for the tranches of these agreements.

36. In addition, the Executive Committee also approved funding for tranches of national methyl bromide phase-out plans.

### Non-investment activities

37. Amendments to the 2013 work programmes of UNDP, UNEP, UNIDO and the World Bank, their 2014 work programmes and amendments to their 2014 work programmes<sup>27</sup> were approved by the 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings, respectively (decisions 71/30, 71/32, 72/25 and 73/39 to 73/52). These covered: renewal of institutional strengthening projects<sup>28</sup>; preparation projects for stage II of an HPMP and HCFC phase-out investment activities; preparation of projects in the fumigant sector; and funding for verification reports on consumption targets.

### Demonstration projects

38. The Executive Committee approved the implementation of two pilot demonstration projects for ODS waste disposal and management on the understanding that no further funds would be available for the two countries concerned for any ODS disposal projects in the future (decisions 72/27 and 72/28). For ODS disposal projects withdrawn prior to the meeting, the Executive Committee, on an exceptional basis, decided to allow one project to be resubmitted to the 73<sup>rd</sup> meeting on certain conditions, but did not allow another one to be resubmitted as there was no indication that the guidelines for the submission of ODS disposal demonstration projects would be met by the time of the 73<sup>rd</sup> meeting (decision 72/21). In line with decision 72/21, the Executive Committee considered an additional pilot ODS waste management and disposal demonstration project<sup>29</sup>.

### **(iii) Monitoring and evaluation**

39. During the period under review, the Executive Committee noted the desk study on the evaluation of the preparatory phase of the phasing-out of HCFCs and its recommendations contained in the document<sup>30</sup> (decision 71/25). It also noted the interim and final reports on the evaluation of projects for the conversion of CFC-based metered dose inhalers to non-CFC technologies contained in the respective documents<sup>31</sup> (decisions 71/26 and 72/7). The project completion reports (PCRs) for 2013<sup>32</sup> and for 2014<sup>33</sup> and the PCR for multi-year agreements (MYAs) for 2014<sup>34</sup> were noted by the Executive Committee which invited all concerned to take into consideration the lessons learned from them when preparing and implementing future projects (decisions 71/24, 72/5 and 73/5). At the 72<sup>nd</sup> meeting, the Executive Committee also noted the report on the MYA database<sup>35</sup> and requested bilateral and implementing agencies to add the missing information pertaining to approved multi-year projects to the MYA database no later than eight weeks prior to the 73<sup>rd</sup> meeting (decision 72/6).

40. The draft monitoring and evaluation work programme for 2014 was submitted to the 71<sup>st</sup> meeting, which requested the Senior Monitoring and Evaluation Officer to submit to the 72<sup>nd</sup> meeting a revised programme taking into account the suggestions made at the meeting (decision 71/27). The 72<sup>nd</sup> meeting approved the revised monitoring and evaluation work programme for 2014, at a budget of US \$148,700 to include a desk study, together with field visits to seven countries and preparation of reports related to the

<sup>27</sup> UNEP/OzL.Pro/ExCom/71/20 to 22, UNEP/OzL.Pro/ExCom/72/14 to 17, and UNEP/OzL.Pro/ExCom/73/26 to 29.

<sup>28</sup> US \$110,764,596 (including support costs) have been approved since inception for IS projects in 145 Article 5 countries.

<sup>29</sup> UNEP/OzL.Pro/ExCom/73/41.

<sup>30</sup> UNEP/OzL.Pro/ExCom/71/14.

<sup>31</sup> UNEP/OzL.Pro/ExCom/71/15 and UNEP/OzL.Pro/ExCom/72/9.

<sup>32</sup> UNEP/OzL.Pro/ExCom/71/13.

<sup>33</sup> UNEP/OzL.Pro/ExCom/73/7.

<sup>34</sup> UNEP/OzL.Pro/ExCom/72/7.

<sup>35</sup> UNEP/OzL.Pro/ExCom/72/8.

evaluation of HCFC phase-out projects in the foam sector (decision 72/8). The report on the desk study component of that evaluation was presented to the 73<sup>rd</sup> meeting and noted by the Executive Committee (decision 73/6).

41. The 73<sup>rd</sup> meeting approved the monitoring and evaluation work programme for 2015, at a budget of US \$91,285, to include completion of the evaluation of the phase-out of HCFC in the foam sector, and desk studies on the phase-out of HCFCs in the refrigeration and air-conditioning manufacturing sector and on pilot demonstration projects on ODS disposal and destruction (decision 73/7).

**(iv) Performance indicators**

42. After hearing a report<sup>36</sup> from the Secretariat on performance indicators and proposals for their revision, the 71<sup>st</sup> meeting modified the indicators, changing their weighting so that they became comparable (decision 71/28).

43. The evaluation of the 2013 business plans of the implementing agencies<sup>37</sup> was examined by the 73<sup>rd</sup> meeting, which noted that the overall performance of the agencies was higher than for 2012. It was also noted that the cost of project preparation varied considerably, by year and by implementing agency, and it was suggested that informal discussions be held with the implementing agencies during the meeting to understand the reasons for those variations, and how they were reflected in the administrative cost regime and in the core unit costs.

**(v) Tranche submission delays**

44. At the 71<sup>st</sup> meeting, it was noted that 49 of 66 tranches of MYAs<sup>38</sup> due for submission had been submitted to the meeting on time (decision 71/4); the 72<sup>nd</sup> meeting was informed that 48 out of 73 activities related to tranches of HPMPs due for submission<sup>39</sup> had been submitted on time (decision 72/4); at the 73<sup>rd</sup> meeting, the Executive Committee noted that 33 out of 53 activities related to tranches of HPMPs due for submission<sup>40</sup> had been submitted on time (decision 73/4), although 10 of those tranches had subsequently been withdrawn after discussion with the Secretariat. At all three meetings, the Executive Committee noted that those tranches not submitted were not expected to have a negative impact on compliance, except for one country at the 71<sup>st</sup> meeting owing to its political situation. The Secretariat was requested to send letters to the governments concerned to urge submission of the next tranche.

**(vi) Status reports and compliance**

45. The 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings considered updated reports on the status of compliance and information on projects with implementation delays<sup>41</sup>. It was decided to request bilateral and implementing agencies to provide additional status and other reports on a number of projects (decisions

<sup>36</sup> UNEP/OzL.Pro/ExCom/71/17.

<sup>37</sup> UNEP/OzL.Pro/ExCom/73/16.

<sup>38</sup> UNEP/OzL.Pro/ExCom/71/5.

<sup>39</sup> UNEP/OzL.Pro/ExCom/72/6.

<sup>40</sup> UNEP/OzL.Pro/ExCom/73/6.

<sup>41</sup> UNEP/OzL.Pro/ExCom/71/6, Add.1, Corr.1, Add.1/Corr.1, UNEP/OzL.Pro/ExCom/72/11, Corr.1 and Add.1, and UNEP/OzL.Pro/ExCom/73/17 and Add.1.

71/5 to 71/12, 72/9, and 72/13 to 72/16). As of the 73<sup>rd</sup> meeting these requests were made in the context of bilateral and implementing agencies' progress reports (decisions 73/9 to 73/13).

46. The 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings also considered progress and final reports on: four pilot projects to demonstrate HCFC alternative technologies in several subsectors in China; a supplementary progress report on the implementation of a demonstration project on low-cost options for the use of hydrocarbons in the manufacture of polyurethane foams in Egypt; the final report on the pilot project to demonstrate the use of super-critical CO<sub>2</sub> technology for polyurethane spray foams in Colombia; financial audit reports and progress reports for the halon, CFC production, foam, process agent II, solvent and CFC refrigeration servicing sectors in China; a financial audit report for the national CFC phase-out plan for the Philippines; a progress report on the implementation of the methyl bromide phase-out project in Guatemala; and final reports on ODS disposal projects in Indonesia and the Philippines (decisions 71/13 to 71/17, 72/10 to 72/12, 73/16 to 73/20 and 73/22 to 73/24).

**(vii) Submission of verification reports**

47. The 72<sup>nd</sup> meeting discussed the timing of submission of verification reports under the two-meetings-a-year regime<sup>42</sup> and encouraged leading bilateral and implementing agencies to include a verification report for the year immediately preceding the year in which the tranche was submitted when presenting HPMPs to the first meeting each year. In the interests of flexibility, however, it was agreed that, should the verification reports not be ready in time for the first meeting of the year, transfer of any approved funds for tranches to the bilateral and implementing agencies would occur only after the Secretariat had received the verification reports confirming that in the year immediately preceding the tranche request the country had been in compliance with the Montreal Protocol and the Agreement between its Government and the Executive Committee (decision 72/19).

**III. BUSINESS PLANNING, FINANCIAL AND ADMINISTRATIVE MATTERS**

**(i) 2014-2016 business plan**

48. The 71<sup>st</sup> meeting endorsed<sup>43</sup> the 2014-2016 business plan of the Multilateral Fund<sup>44</sup>, making a number of adjustments and requests to bilateral and implementing agencies (decision 71/18). The 72<sup>nd</sup> meeting noted the updated business plan and requested the Secretariat to continue monitoring cash flow availability in the next update to be submitted to the 73<sup>rd</sup> meeting (decision 72/3).

49. The 71<sup>st</sup> meeting took note of the business plans of the bilateral agencies, UNDP, UNEP, UNIDO and the World Bank<sup>45</sup>, and approved the performance indicators for the implementing agencies (decisions 71/20 to 71/23). It also requested bilateral and implementing agencies to address those activities which had not been submitted in 2013 as planned (decision 71/4).

**(ii) 2015-2017 business plan**

50. The 73<sup>rd</sup> meeting endorsed<sup>46</sup> the 2015-2017 business plan of the Multilateral Fund<sup>47</sup>, after making a number of adjustments and requests to bilateral and implementing agencies (decision 73/27). It also took

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<sup>42</sup> UNEP/OzL.Pro/ExCom/72/12.

<sup>43</sup> Endorsement denotes neither approval of the projects identified therein nor approval of the related funding or tonnage.

<sup>44</sup> UNEPOzL.Pro/ExCom/71/7.

<sup>45</sup> UNEP/OzL.Pro/ExCom/71/8 to 12.

note of the business plans of the bilateral agencies, UNDP, UNEP, UNIDO and the World Bank<sup>48</sup>, and approved the performance indicators for the implementing agencies (decisions 73/28 to 73/32).

**(iii) Financial planning**

51. Reports on balances and availability of resources<sup>49</sup> were presented to the 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings, which noted the return of funds and requested implementing agencies to return the balances from projects approved over two years previously, as well as any unobligated balances (decisions 71/3, 72/2 and 73/2). The return of unused balances also included those from projects where no new commitments were to be incurred after the final date of completion, as mandated by decisions 70/7(b)(ii) and (iii) and 71/11(b).

**(iv) UNEP's Compliance Assistance Programme (CAP) budget for 2014 and 2015**

52. The 71<sup>st</sup> meeting approved the CAP budget for 2014<sup>50</sup>, which represented a two per cent increase over the 2013 budget, in the amount of US \$9,338,000, plus agency support costs of eight per cent, amounting to US \$747,040. It requested UNEP to provide further information in future submissions of the CAP budget and to report to the Executive Committee by the 74<sup>th</sup> meeting on the implications of its adoption of the IPSAS in meeting the requirements of decision 35/36(d)<sup>51</sup> (decision 71/33).

53. The 73<sup>rd</sup> meeting approved the CAP budget for 2015<sup>52</sup>, in the amount of US \$9,459,000, plus agency support costs of eight per cent, amounting to US \$756,720, and congratulated UNEP for staying within the budget guidelines. UNEP was also requested to report to the 74<sup>th</sup> meeting on actions taken to implement recommendations arising from the May 2014 report of the United Nations Office of Internal Oversight Services on the audit of the UNEP OzonAction Branch (decision 73/53).

**(v) Core units costs for UNDP, UNIDO and the World Bank**

54. The 71<sup>st</sup> meeting approved the requested 2014 core unit budgets for UNDP, UNIDO and the World Bank<sup>53</sup>, noting that UNDP and UNIDO had requested a 0.7 per cent increase, while the World Bank requested the same budget as that approved in 2013 and would be returning unused balances (decision 71/34).

55. The 73<sup>rd</sup> meeting approved the requested 2015 core unit budgets for UNDP, UNIDO and the World Bank<sup>54</sup>, noting that the World Bank's core unit operation was again below its budgeted level and that it would be returning unused balances (decision 73/54).

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<sup>46</sup> Endorsement denotes neither approval of the projects identified therein nor approval of the related funding or tonnage, on the understanding that agencies would place significantly greater emphasis on HCFC phase-out in the foam sector in stage II of the HPMPs included in their business plans for the 2016-2018 period.

<sup>47</sup> UNEP/OzL.Pro/ExCom/73/18.

<sup>48</sup> UNEP/OzL.Pro/ExCom/73/19 to 23.

<sup>49</sup> UNEP/OzL.Pro/ExCom/71/4, UNEP/OzL.Pro/ExCom/72/4, and UNEP/OzL.Pro/ExCom/73/4.

<sup>50</sup> UNEP/OzL.Pro/ExCom/71/23.

<sup>51</sup> Funds approved annually for the CAP but not spent should be returned to the Multilateral Fund for re-programming at the second meeting of the Executive Committee in the year following that for which they had been approved.

<sup>52</sup> UNEP/OzL.Pro/ExCom/73/30.

<sup>53</sup> UNEP/OzL.Pro/ExCom/71/24.

<sup>54</sup> UNEP/OzL.Pro/ExCom/73/31.

**(vi) Resource mobilization for climate co-benefits**

56. The 71<sup>st</sup> meeting noted two reports<sup>55</sup> prepared by UNDP and the World Bank on the results of resource mobilization activities undertaken with funds approved at the 63<sup>rd</sup> meeting.

**(vii) Administrative cost regime**

57. The 71<sup>st</sup> meeting noted the options for assessment of the administrative cost regime for the 2015-2017 triennium<sup>56</sup> and requested the Secretariat to prepare a document reviewing the regime for consideration at the last meeting in 2014 (decision 71/45).

58. The question of whether the new administrative cost regime approved at the 67<sup>th</sup> meeting should apply to the second and subsequent tranches of those HPMPs approved at the 66<sup>th</sup> meeting was discussed at the 72<sup>nd</sup> meeting, which decided to apply the new support cost regime in line with decision 67/15 for the second and subsequent tranches of HPMPs approved at the 66<sup>th</sup> meeting (decision 72/20).

59. At the 73<sup>rd</sup> meeting<sup>57</sup>, the Executive Committee decided to apply the existing administrative cost regime for the bilateral and implementing agencies during the 2015–2017 triennium, while requesting a review of the administrative cost regime and its core unit funding budget to be undertaken for presentation at the first meeting of 2017, with the terms of reference for that being submitted to the Executive Committee for its consideration at its last meeting of 2015 (decision 73/62).

**(viii) Status of contributions and disbursements**

60. As at 8 November 2014, the total income to the Multilateral Fund, including cash payments, promissory notes held, bilateral contributions, interest earned and miscellaneous income, amounted to US \$3,262,157,979, and total allocations, including provisions, amounted to US \$3,176,950,552. The balance available at 8 November 2014 therefore amounted to US \$85,207,427. The yearly distribution of contributions against pledges is shown in the Table below:

Year	Pledged contributions US \$	Total payments US \$	Arrears/outstanding pledges US \$
1991-1993	234,929,241	210,877,289	24,051,952
1994-1996	424,841,347	393,465,069	31,376,278
1997-1999	472,567,009	440,044,512	32,522,497
2000-2002	440,000,001	429,393,618	10,606,383
2003-2005	474,000,000	465,667,270	8,332,730
2006-2008	368,028,480	359,105,735	8,922,745
2009-2011	399,640,706	392,548,309	7,092,397
2012-2014	397,401,142	340,194,552	57,206,590
<b>Total:</b>	<b>3,211,407,926</b>	<b>3,031,296,354</b>	<b>180,111,572</b>

Note: Not including any disputed contributions.

61. The 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings requested the Treasurer to continue discussions with parties that still had outstanding contributions (decisions 71/2(d), 72/1(d) and 73/1(c)).

<sup>55</sup> UNEP/OzL.Pro/ExCom/71/6/Add.1.

<sup>56</sup> UNEP/OzL.Pro/ExCom/71/59.

<sup>57</sup> UNEP/OzL.Pro/ExCom/73/51.

62. During the period under review, the Executive Committee urged all parties to pay their contributions to the Multilateral Fund in full and as early as possible (decisions 71/2(c), 72/1(b) and 73/1(b)).

**(ix) Interest collected during the 2006-2008, 2009-2011 and 2012-2014 trienniums**

63. As at 8 November 2014, the total level of interest recorded in the Treasurer's accounts amounted to US \$43,537,814 for the 2006-2008 triennium, US \$10,544,631 for the 2009-2011 triennium, and US \$5,719,461 for the 2012-2014 triennium.

**(x) Fixed-exchange-rate mechanism (FERM)**

64. The Treasurer informed the 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings of the total amounts gained from exchange differences since the inception of the FERM, which stood at US \$19,335,876 as at 8 November 2014.

**(xi) Bilateral cooperation**

65. The 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings approved requests by France, Germany, Italy and Japan to offset funds amounting to US \$4,693,349 for bilateral projects (decisions 71/31, 72/26 and 73/38), bringing the total for bilateral cooperation since the inception of the Multilateral Fund to US \$151,674,477 (including agency fees and excluding cancelled and transferred projects), representing approximately 4.8 per cent of funds approved.

**(xii) Accounts of the Multilateral Fund**

66. When considering the final 2012 accounts of the Multilateral Fund<sup>58</sup>, the 71<sup>st</sup> meeting noted that UNEP had yet to receive the final audit report of the 2012 accounts from the United Nations Board of Auditors. The Treasurer was requested to record in the 2013 accounts the differences between the implementing agencies' provisional financial statements and their final 2012 accounts. The Treasurer was also requested to report to the 72<sup>nd</sup> meeting on the consolidation of the Multilateral Fund accounts with those of UNEP under the International Public Sector Accounting Standards (IPSAS), the mitigation of exchange rate risks on pledged contributions, and the procedures set by the UNEP-wide standard on cash advances and the potential impact on the implementation of projects funded by the Multilateral Fund. The Executive Committee requested the Secretariat, in cooperation with the implementing agencies and the Treasurer, to consider further the impact of fund transfers to implementing agencies from the Treasurer, including information on rates of return on interest, and to report back to the Executive Committee at its 72<sup>nd</sup> meeting (decision 71/46).

67. After hearing the report of the Treasurer<sup>59</sup>, the 72<sup>nd</sup> meeting noted the accounts of the Multilateral Fund and requested the Treasurer to report on the status of the consolidation of the accounts to the 74<sup>th</sup> meeting once IPSAS and Umoja were fully operational. In consultation with the Secretariat, the Treasurer was also requested to seek expert views on the issue of fund transfers from the Treasurer to the implementing agencies and to report back to the 73<sup>rd</sup> meeting. The next report on this topic should include integrated information on the UNEP-wide standard on cash advances and the 20 per cent disbursement threshold for HPMPs to show clearly the relationship between the two issues, as well as further

<sup>58</sup> UNEP/OzL.Pro/ExCom/71/60.

<sup>59</sup> UNEP/OzL.Pro/ExCom/72/44.

information on the system used for the transfer of funds from the Treasurer to the implementing agencies, so as to ensure risk reduction and the maximization of interest accrual (decision 72/42).

68. After hearing the report of the Treasurer<sup>60</sup>, the 73<sup>rd</sup> meeting noted the 2013 accounts of the Multilateral Fund (decision 73/66). It also considered the report of the Treasurer<sup>61</sup>, which indicated that, under the Multilateral Fund, a system had historically been employed whereby funds had been transferred to the implementing agencies in full. It concluded, therefore, that the current system had functioned well, and that a cautious approach should be taken to adopting any new measures. The Executive Committee decided to maintain the current system for the management and transfer of funds under the Multilateral Fund from the Treasurer to implementing agencies (decision 73/68).

#### **(xiii) Reconciliation of the accounts of the Multilateral Fund**

69. The 71<sup>st</sup> meeting requested the Treasurer and the implementing agencies to carry out certain 2012 adjustments in the 2013 accounts and noted the outstanding reconciling items (decision 71/47).

70. The 73<sup>rd</sup> meeting requested the Treasurer and the implementing agencies to carry out certain 2013 adjustments in the 2014 accounts and noted the outstanding reconciling items (decision 73/67).

#### **(xiv) Budgets of the Fund Secretariat**

71. The 71<sup>st</sup> meeting considered the submission<sup>62</sup> by the Secretariat and approved the revised 2013 budget of US \$7,067,547, as adjusted, noting that the total budget remained at the same level as approved at the 68<sup>th</sup> meeting. It also approved the revised 2014 budget in the amount of US \$6,983,852 to reflect an additional amount of US \$2,819,031 to cover operational costs. It noted the staff component costs of the 2015 budget and approved the proposed staff component costs of the 2016 budget. The Secretariat was requested to discuss options for cost savings with UNEP and to report to the Executive Committee by the 72<sup>nd</sup> meeting (decision 71/48).

72. The 72<sup>nd</sup> meeting considered the submission<sup>63</sup> by the Secretariat and approved the revised 2014 budget, totalling US \$6,818,463, based on two Executive Committee meetings per year, and the revised 2015 and 2016 budgets including 9 per cent programme support costs, on the understanding that no allocation was made for a third meeting in those years (decision 72/43).

73. The 73<sup>rd</sup> meeting considered the submission<sup>64</sup> by the Secretariat and approved the reallocation of funding across budget lines in the 2014 budget to accommodate the additional cost of holding the 73<sup>rd</sup> meeting in Paris, as well as proposed staff and operational costs of the 2017 budget, US \$7,190,229, including the cost of the operation of the Executive Committee and the Treasurer's services, based on two Executive Committee meetings per year (decision 73/69).

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<sup>60</sup> UNEP/OzL.Pro/ExCom/73/56.

<sup>61</sup> UNEP/OzL.Pro/ExCom/73/57.

<sup>62</sup> UNEP/OzL.Pro/ExCom/71/62.

<sup>63</sup> UNEP/OzL.Pro/ExCom/72/45.

<sup>64</sup> UNEP/OzL.Pro/ExCom/73/58.

**(xv) Fund Secretariat activities**

74. During the period under review, the Fund Secretariat had taken action<sup>65</sup> pursuant to the decisions taken by the Executive Committee at its 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings and prepared documentation and provided conference services. In addition to the documents customarily prepared for Executive Committee meetings, the Secretariat had also prepared documents, *inter alia*, on the policy matters referred to above.

75. The Secretariat had analysed and reviewed 353 funding requests and provided comments and recommendations for the Executive Committee's consideration. The requested level of funding for approval at the 71<sup>st</sup>, 72<sup>nd</sup> and 73<sup>rd</sup> meetings, following project review, amounted to US \$213,931,175.

76. The Secretariat was requested to incorporate into its future reports on Secretariat activities an additional section summarizing the advice given by it to other bodies and organizations to enable monitoring and to ensure consistency (decision 71/1).

**(xvi) Review of the Operation of the Executive Committee**

77. At its 70<sup>th</sup> meeting, the Executive Committee had decided to convene two Executive Committee meetings in 2014 on a trial basis and to reconsider the matter at the last meeting of 2014 (decision 70/23). Discussions were held at the 73<sup>rd</sup> meeting, aided by a document<sup>66</sup> prepared by the Secretariat on the experience of the first meeting of 2014 (72<sup>nd</sup> meeting) and the preparations for the last meeting in 2014 (73<sup>rd</sup> meeting). The Executive Committee decided to continue convening two meetings of the Executive Committee from 2015 onwards with the possibility of holding an additional brief meeting if required between those meetings to consider project proposals. It also decided on the respective submission schedules for documents submitted annually. The Secretariat was requested to continue reviewing the standard agenda items of the Executive Committee meetings with a view to streamlining and improving the efficiency of the operation of the Executive Committee, and to prepare a document on the main procedures of the operation of the Executive Committee as a basis for discussion of the roles and responsibilities of the Executive Committee, the Secretariat and implementing agencies of the Multilateral Fund, for presentation to the Executive Committee at its last meeting in 2015. Finally, the Executive Committee agreed to review the scenario of two Executive Committee meetings per year at the first meeting of the Committee in 2016 (decision 73/57).

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<sup>65</sup> UNEP/OzL.Pro/ExCom/71/2, UNEP/OzL.Pro/ExCom/72/2, and UNEP/OzL.Pro/ExCom/73/2.

<sup>66</sup> UNEP/OzL.Pro/ExCom/73/59.

## Annex

## HPMPs AND HPPMPs APPROVED

Country	To be implemented by	Total phase-out ODP tonnes	Funding approved in principle (US \$)		
			Project funds	Support costs	Total
Afghanistan	UNEP	8.3	398,825	51,847	450,672
	Germany		280,276	36,436	316,712
Albania	UNIDO	2.1	230,000	20,700	250,700
	UNEP		85,000	11,050	96,050
Algeria	UNIDO	14.5	1,993,331	152,731	2,146,062
Angola	UNDP	1.6	176,000	15,840	191,840
Antigua and Barbuda	UNEP	0.0	51,700	6,721	58,421
Argentina	UNIDO	83.5	9,560,542	717,041	10,277,583
	IBRD		914,612	68,596	983,208
	Italy		300,000	39,000	339,000
Armenia	UNDP	2.2	594,353	44,577	638,930
	UNEP		39,000	5,070	44,070
Bahamas (the)	UNEP	1.7	156,900	20,397	177,297
	UNIDO		151,420	13,628	165,048
Bahrain	UNEP	23.2	470,000	61,100	531,100
	UNIDO		2,338,985	163,729	2,502,714
Bangladesh	UNDP	24.5	1,201,074	90,081	1,291,155
	UNEP		355,000	46,150	401,150
Barbados	UNEP	1.3	192,000	24,960	216,960
	UNDP		88,000	7,920	95,920
Belize	UNEP	1.0	213,500	27,755	241,255
	UNDP		66,500	5,985	72,485
Benin	UNEP	8.3	370,000	48,100	418,100
	UNIDO		260,000	19,500	279,500
Bhutan	UNEP	0.3	282,000	36,660	318,660
	UNDP		188,000	16,920	204,920
Bolivia (Plurinational State of)	Germany	2.1	315,000	40,950	355,950
Bosnia and Herzegovina	UNIDO	6.6	953,284	69,886	1,023,170
Brazil	UNDP	220.3	15,506,257	1,162,969	16,669,226
	Germany		4,090,909	460,000	4,550,909
Brunei Darussalam	UNEP	2.1	183,000	23,790	206,790
	UNDP		132,000	11,880	143,880
Burkina Faso	UNEP	10.1	546,168	71,002	617,170
	UNIDO		249,900	22,491	272,391
Burundi	UNEP	2.5	172,000	22,360	194,360
	UNIDO		160,000	14,400	174,400
Cambodia	UNEP	15.0	950,000	123,500	1,073,500
	UNDP		650,000	48,750	698,750
Cameroon	UNIDO	20.5	1,182,725	88,704	1,271,429
Cabo Verde	UNEP	0.1	160,000	20,800	180,800
Central African Republic	UNEP	4.2	310,000	40,300	350,300
	UNIDO		250,000	18,750	268,750
Chad	UNEP	5.6	325,000	42,250	367,250
	UNIDO		235,000	17,625	252,625
Chile	UNDP	22.0	1,497,966	112,347	1,610,313
	UNEP		288,489	37,504	325,993

Country	To be implemented by	Total phase-out ODP tonnes	Funding approved in principle (US \$)		
			Project funds	Support costs	Total
China - Industrial, Commercial and Air Conditioning (ICR)	UNDP	3,445.2	61,000,000	4,396,900	65,396,900
China - XPS Foam	Germany		1,350,000	158,500	1,508,500
China - XPS Foam	UNIDO		48,650,000	3,512,360	52,162,360
China - PU Foam	IBRD		73,000,000	5,303,870	78,303,870
China - Room Air Conditioning (RAC)	UNIDO		75,000,000	5,432,150	80,432,150
China - Servicing Sector, including enabling	UNEP		5,240,000	586,400	5,826,400
China - Servicing Sector, including enabling	Japan		400,000	52,000	452,000
China - National Co-ordination	UNDP		360,000	27,000	387,000
China - Solvent	UNDP		5,000,000	362,500	5,362,500
China - HCFC Production	IBRD		3,970.0	95,000,000	5,320,000
Colombia	UNDP	78.9	6,721,483	504,111	7,225,594
	UNEP		100,000	13,000	113,000
Comoros (the)	UNEP	0.1	160,000	20,800	180,800
Congo (the)	UNEP	3.6	175,000	22,750	197,750
	UNIDO		175,000	15,750	190,750
Cook Islands (the)	UNEP	0.0	99,000	12,871	111,871
Costa Rica	UNDP	18.9	1,153,523	86,514	1,240,037
Cote d'Ivoire	UNEP	22.3	905,740	109,631	1,015,371
	UNIDO		920,000	69,000	989,000
Croatia	UNIDO	8.1	871,150	65,336	936,486
	Italy		210,000	27,300	237,300
Cuba	UNDP	19.3	1,747,527	131,065	1,878,592
Democratic People's Republic of Korea	UNIDO	20.0	701,880	49,132	751,012
	UNEP		202,000	26,260	228,260
Democratic Republic of the Congo (the)	UNEP	5.8	235,000	30,550	265,550
	UNDP		240,000	21,600	261,600
Djibouti	UNEP	0.2	164,500	21,385	185,885
Dominica	UNEP	0.1	164,500	21,385	185,885
Dominican Republic (the)	UNDP	27.1	1,646,225	123,467	1,769,692
	UNEP		50,000	6,500	56,500
Ecuador	UNIDO	23.2	1,846,440	138,483	1,984,923
	UNEP		115,000	14,950	129,950
Egypt	UNIDO	174.0	2,325,415	174,406	2,499,821
	UNDP		6,195,400	469,193	6,664,593
El Salvador	UNDP	9.0	699,277	52,446	751,723
	UNEP		375,000	11,700	386,700
Equatorial Guinea	UNEP	2.2	165,000	21,450	186,450
	UNIDO		150,000	13,500	163,500
Eritrea	UNEP	0.0	84,500	10,985	95,485
	UNIDO		80,000	7,200	87,200
Ethiopia	UNEP	1.9	175,000	22,750	197,750
	UNIDO		140,000	12,600	152,600
Fiji	UNDP	2.0	189,500	17,055	206,555
	UNEP		125,500	16,315	141,815
Gabon	UNEP	10.6	290,100	37,713	327,813
	UNIDO		249,900	22,491	272,391
Gambia (the)	UNEP	0.5	110,000	14,300	124,300
	UNIDO		100,000	9,000	109,000
Georgia	UNDP	2.3	500,900	37,568	538,468

Country	To be implemented by	Total phase-out ODP tonnes	Funding approved in principle (US \$)		
			Project funds	Support costs	Total
Ghana	UNDP	26.3	1,031,311	77,348	1,108,659
	Italy		325,000	42,250	367,250
Grenada	UNEP	0.3	210,000	27,300	237,300
Guatemala	UNIDO	4.3	345,637	25,923	371,560
	UNEP		96,500	12,546	109,046
Guinea	UNEP	7.9	327,000	42,510	369,510
	UNIDO		320,000	24,000	344,000
Guinea-Bissau	UNEP	1.0	165,000	21,450	186,450
	UNIDO		115,000	10,350	125,350
Guyana	UNEP	0.1	18,000	2,340	20,340
	UNDP		48,000	4,320	52,320
Haiti	UNEP	1.3	182,881	23,775	206,656
	UNDP		97,119	8,741	105,860
Honduras	UNIDO	7.0	380,000	28,500	408,500
	UNEP		250,000	32,500	282,500
India	UNDP	341.8	18,438,490	1,340,694	19,779,184
	UNEP		861,600	104,776	966,376
	Germany		1,994,400	229,384	2,223,784
Indonesia	UNDP	135.0	8,901,102	667,583	9,568,685
	Australia		300,000	39,000	339,000
	IBRD		2,714,187	203,564	2,917,751
	UNIDO		777,395	58,305	835,700
Iran (Islamic Republic of)	UNDP	164.4	4,565,746	342,431	4,908,177
	UNEP		262,000	34,060	296,060
	UNIDO		2,506,277	187,971	2,694,248
	Germany		2,885,815	327,440	3,213,255
Iraq	UNEP	15.0	770,000	94,700	864,700
	UNIDO		410,000	30,750	440,750
Jamaica	UNDP	8.1	578,450	43,384	621,834
	UNEP		77,000	10,010	87,010
Jordan	UNIDO	25.5	2,259,217	170,824	2,430,041
	IBRD		2,341,150	175,587	2,516,737
Kenya	France	11.0	900,000	109,000	1,009,000
Kiribati	UNEP	0.0	109,000	14,171	123,171
Kuwait	UNEP	239.2	1,043,000	124,730	1,167,730
	UNIDO		8,861,677	664,626	9,526,303
Kyrgyzstan	UNDP	1.0	52,800	4,752	57,552
	UNEP		35,200	4,576	39,776
Lao People's Democratic Republic (the)	UNEP	0.6	176,250	22,913	199,163
	France		33,750	4,388	38,138
Lebanon	UNDP	20.0	2,495,109	187,133	2,682,242
Lesotho	Germany	1.23	280,000	36,400	316,400
Liberia	Germany	1.9	315,000	40,950	355,950
Madagascar	UNEP	6.0	300,000	39,000	339,000
	UNIDO		260,000	19,500	279,500
Malawi	UNEP	3.8	230,000	29,900	259,900
	UNIDO		120,000	10,800	130,800
Malaysia	UNDP	103.0	9,587,471	719,060	10,306,531
Maldives	UNEP	3.7	680,000	88,400	768,400
	UNDP		420,000	31,500	451,500

Country	To be implemented by	Total phase-out ODP tonnes	Funding approved in principle (US \$)		
			Project funds	Support costs	Total
Mali	UNEP	5.2	280,000	36,400	316,400
	UNDP		280,000	21,000	301,000
Marshall Islands (the)	UNEP	0.1	113,000	14,690	127,690
Mauritius	Germany	8.0	950,000	114,500	1,064,500
Mexico (Stage I)	UNIDO	417.3	4,412,195	330,915	4,743,110
	UNDP		13,654,016	1,024,051	14,678,067
Mexico (Stage II)	UNIDO	533.6	9,899,581	692,971	10,592,552
	Germany		650,000	81,500	731,500
	Italy		458,191	59,565	517,756
	UNEP		80,000	10,400	90,400
Micronesia (Federated States of)	UNEP	0.0	112,000	14,560	126,560
Mongolia	UNEP	1.0	236,000	30,680	266,680
	Japan		130,000	16,900	146,900
Montenegro	UNIDO	0.3	404,500	30,338	434,838
Morocco	UNIDO	16.8	1,286,740	96,506	1,383,246
Mozambique	UNEP	2.3	165,000	21,450	186,450
	UNIDO		150,000	13,500	163,500
Myanmar	UNEP	1.5	220,000	28,600	248,600
	UNIDO		60,000	5,400	65,400
Namibia	Germany	8.4	900,000	109,000	1,009,000
Nauru	UNEP	0.0	74,000	9,620	83,620
Nepal	UNEP	0.6	126,000	16,380	142,380
	UNDP		84,000	7,560	91,560
Nicaragua	UNEP	2.7	108,000	14,040	122,040
	UNIDO		222,000	19,980	241,980
Niger (the)	UNIDO	5.6	285,000	21,375	306,375
	UNEP		275,000	35,750	310,750
Nigeria	UNDP	90.1	2,999,750	224,981	3,224,731
	UNIDO		1,939,080	145,431	2,084,511
Niue	UNEP	0.0	73,000	9,490	82,490
Oman	UNIDO	6.8	349,120	26,184	375,304
	UNEP		85,000	11,050	96,050
Pakistan	UNIDO	79.1	5,008,849	375,664	5,384,513
	UNEP		440,000	57,200	497,200
Palau	UNEP	0.1	120,000	15,600	135,600
Panama	UNDP	4.8	265,545	19,916	285,461
	UNEP		70,000	9,100	79,100
Papua New Guinea	Germany	3.4	1,250,000	147,500	1,397,500
Paraguay	UNEP	6.3	330,000	42,900	372,900
	UNDP		300,000	22,500	322,500
Peru	UNDP	3.7	232,671	20,940	253,611
	UNEP		50,000	6,500	56,500
Philippines (the)	UNEP	45.0	230,000	29,900	259,900
	UNIDO		1,770,650	132,799	1,903,449
	Japan		317,350	41,256	358,606
Qatar	UNIDO	57.9	1,726,600	129,495	1,856,095
	UNEP		310,000	40,300	350,300
Region: ASP –PIC regional approach	UNEP		285,000	37,050	322,050
Republic of Moldova (the)	UNDP	0.2	88,000	7,920	95,920
Rwanda	UNEP	1.4	170,000	22,100	192,100
	UNIDO		110,000	9,900	119,900
Saint Kitts and Nevis	UNEP	0.2	124,500	16,185	140,685

Country	To be implemented by	Total phase-out ODP tonnes	Funding approved in principle (US \$)		
			Project funds	Support costs	Total
	UNDP		40,000	3,600	43,600
Saint Lucia	UNEP	0.1	51,892	6,747	58,639
	UNIDO		112,608	10,135	122,743
Saint Vincent and the Grenadines	UNEP	0.3	345,800	44,954	390,754
	UNIDO		124,115	11,170	135,285
Samoa	UNEP	0.1	148,500	19,306	167,806
Sao Tome and Principe	UNEP	0.1	160,000	20,800	180,800
Saudi Arabia	UNIDO	703.3	12,480,171	882,206	13,362,377
	UNEP		720,800	89,289	810,089
	Japan		220,000	28,600	248,600
Senegal	UNIDO	12.7	505,216	37,891	543,107
	UNEP		530,000	68,300	598,300
Serbia	UNIDO	2.9	897,760	67,333	965,093
	UNEP		75,500	9,815	85,315
Seychelles	Germany	1.4	600,000	76,000	676,000
Sierra Leone	UNEP	0.6	110,000	14,300	124,300
	UNIDO		100,000	9,000	109,000
Solomon Islands	UNEP	0.7	195,000	25,351	220,351
Somalia	UNIDO	1.9	315,000	22,050	337,050
South Africa	UNIDO	176.7	6,533,556	457,349	6,990,905
Sri Lanka	UNDP	4.8	398,866	29,915	428,781
	UNEP		249,000	32,370	281,370
Sudan (the)	UNIDO	16.2	1,456,341	108,476	1,564,817
Suriname	UNEP	0.7	104,000	13,520	117,520
	UNIDO		106,000	9,540	115,540
Swaziland	UNEP	6.2	210,000	27,300	237,300
	UNDP		667,948	50,096	718,044
Thailand	IBRD	234.7	22,749,072	1,592,436	24,341,508
	Japan		302,965	39,385	342,350
The former Yugoslav Republic of Macedonia	UNIDO	2.2	1,166,955	87,522	1,254,477
Timor-Leste	UNEP	0.1	164,900	21,437	186,337
	UNDP		106,800	9,612	116,412
Togo	UNEP	7.0	280,000	36,400	316,400
	UNIDO		350,000	26,250	376,250
Tonga	UNEP	0.0	127,000	16,511	143,511
Trinidad and Tobago	UNDP	17.9	1,462,733	109,705	1,572,438
Tunisia	UNIDO	10.6	1,100,195	77,014	1,177,209
	UNEP		100,000	13,000	113,000
	France		600,000	76,000	676,000
Turkey	UNIDO	507.9	14,120,090	1,026,975	15,147,065
	UNEP		103,450	13,449	116,899
Turkmenistan	UNIDO	2.4	652,050	48,904	700,954
Tuvalu	UNEP	0.0	92,000	11,960	103,960
Uganda	UNEP	0.1	84,500	10,985	95,485
	UNIDO		80,000	7,200	87,200
United Republic of Tanzania (the)	UNEP	0.6	110,000	14,300	124,300
	UNIDO		100,000	9,000	109,000
Uruguay	UNDP	4.2	380,004	28,500	408,504
Vanuatu	UNEP	0.1	148,500	19,306	167,806

Country	To be implemented by	Total phase-out ODP tonnes	Funding approved in principle (US \$)		
			Project funds	Support costs	Total
Venezuela (Bolivarian Republic of)	UNIDO	23.2	1,758,500	131,888	1,890,388
	UNEP		136,000	17,680	153,680
Viet Nam	IBRD	140.1	9,763,820	732,287	10,496,107
Yemen	UNEP	63.3	380,000	49,400	429,400
	UNIDO		410,000	28,700	438,700
Zambia	UNEP	1.7	175,000	22,750	197,750
	UNIDO		140,000	12,600	152,600
Zimbabwe	Germany	12.3	1,038,818	124,270	1,163,088

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