

## SIGNATURE PAGE

Country: Malaysia

UNDAF Outcome(s)/Indicator(s):  
*(Link to UNDAF outcome, if no UNDAF, leave blank)*

Not Applicable (N/A)

Expected Outcome(s)/Indicator (s):

Reduction in ODS consumption in servicing in the refrigeration and air conditioning (R&AC) sector ,mainly through better servicing and maintenance practices on ODS based equipment and a more effective recovery and recycling programme; a better understanding of the policy and regulatory issues associated with the R&AC sector; knowledge on usage on non-ODS substitutes, and knowledge on servicing practices of equipment using ODS free technologies.

*(CP outcomes linked to the SRF/MYFF goal and service line)*

Expected Output(s)/Annual Targets:

Increase in participant awareness; introduction and demonstration of procedures that eliminate refrigerant emissions during preventive and unscheduled maintenance; stimulate development of a network for information sharing throughout the sector; better servicing practices for reducing wastage of refrigerants; providing information on the proposed/ in process new policy and regulatory issues and their impact on the refrigeration and air conditioning sector; recovery and recycling of refrigerants; use of retrofit and non-ODS alternatives in the refrigeration and air conditioning sector; servicing equipment based on ODS free technologies; and customer interaction and education on ODS phase out and conversion to non-ODS technologies.

Implementing partner:

UNDP/ Ozone Protection Section/ National Ozone Unit (NOU), Department of Environment

*(designated institution/formerly executing entity)*

Programme Period:	2008 -2009
Programme Component:	Capacity Building Renewable of Institutional Strengthening, Phase 7
Project Title:	MYS/SEV/53/INS/159 Apr 2008 – Apr 2009 National Execution
Project ID:	
Project Duration:	
Management Arrangement:	

Budget Financing (in US\$)	
2G – Implementation of the Montreal Protocol	USD 279,500
<b>Total Budget</b>	<b>USD 279,500</b>

On Behalf Of:

Signature:

Date:

**DATUK DR. SULAIMAN B. MAHBOB**  
Director General  
Economic Planning Unit

**03 JUN 2008**

Government

**26 JUN 2008**

UNDP

**TOSHIHIRO TANAKA**  
OFFICER-IN-CHARGE

UNITED NATIONS DEVELOPMENT PROGRAMME

WISMA UN

Blok C Komplek Pejabat Damansara, Jln Durgun,  
Damansara Heights 50490 Kuala Lumpur  
Tel 20959122

# PROJECT COVER SHEET

COUNTRY:

Malaysia

PROJECT TITLE:

Renewal of Institutional Strengthening (Phase 7)

SECTOR:

Several

CFC CONSUMPTION:

Baseline (95-97)	3271.1	ODP Tonnes
1999	2010.1	ODP Tonnes
2000	1979.8	ODP Tonnes
2001	1946.9	ODP Tonnes
2002	1605.5	ODP Tonnes
2003	1174.4	ODP Tonnes
2004	1128.5	ODP Tonnes
2005	661.5	ODP Tonnes

PROJECT DURATION:

2 years (Apr 2007 - Apr 2009)

PROJECT IMPACT:

Phase out of ODS

PROJECT COST:

US\$ 279 500

AGENCY SUPPORT COST:

US\$ 20 963

TOTAL COST TO THE MLF:

US\$ 300 463

SOURCE OF FUNDS:

Multilateral Fund (MLF) for the Implementation of the Montreal Protocol.

NATIONAL AGENCY:

IMPLEMENTING OZONE PROTECTION SECTION, (OPS) / NATIONAL OZONE UNIT (NOU) DEPARTMENT OF ENVIRONMENT

IMPLEMENTING AGENCY:

UNDP

SUBMISSION DATE:

January 2006

## PROJECT REVISION SUMMARY

This project proposal is submitted to extend institutional strengthening support to the National Ozone Office for two additional years of operation. The project will allow the National Ozone Office to continue to plan, organize, direct and coordinate all activities required for the implementation of Malaysia's strategy in all areas related to the Phase-out of Ozone Depleting Substances under the Montreal Protocol.

The Executive Committee of the Multilateral Fund decision 33/12 *decided* that Governments commit to ensure that:

- i. The National Ozone Unit is given a clear mandate and responsibility to carry out the day-to-day work in order to prepare, coordinate and, where relevant, implement the government's activities to meet its commitments under the Montreal Protocol; this also requires access to decision-makers and enforcement agencies;
- ii. The National Ozone Unit's position, capacities, and continuity of officers, resources and lines of command within the authority in charge of ozone issues are such that the National Ozone Unite can carry out its task satisfactorily;
- iii. A specified high-level officer or a post within the authority is given overall responsibility for supervising the work of the National Ozone Unit and ensuring that action taken is adequate to meet commitments under the Protocol;
- iv. Necessary support structures, such as steering committees or advisory groups are established, involving other appropriate authorities, the private sector and non-governmental organizations, etc;
- v. Personnel and financial resources and equipment provided by the Multilateral Fund are fully allocated to the task of eliminating ODS consumption and production and are made available to the National Ozone Unit;
- vi. Annual work plans for the National Ozone Unite are prepared and integrated in the authorities' internal planning processes;
- vii. A reliable system to collect and monitor data on ozone depleting substances imports, exports and production is established; and
- viii. Measures taken and problems encountered are reported to the Secretariat and/or the implementing agency in charge of the institutional strengthening project when required by the Executive Committee.

Annexes attached to this submission:

- 1) Terminal Report of previous phase
- 2) Plan of Action
- 3) Official ODS Data sheet

### Progress report

- During its sixth phase, the institutional strengthening (IS) project of Malaysia continued successfully, achieving and maintaining compliance with the Montreal Protocol control measures for CFCs Halons and Methyl Bromide; however compliance with CTC was not achieved resulting in a decision of non compliance at the eighteenth meeting of the parties. At the same meeting, Malaysia was however able to submit a plan of action to return to compliance.
- The Ozone Unit successfully coordinated Government Action to ratify the Montreal and Beijing Amendments during this phase of the IS project.
- During the third phase of the IS Project, the Ozone Unit of Malaysia continued to monitor the ongoing RMP, CTC Sector Phase out Plan and the Halon Bank Projects as well as implement a number of public awareness campaigns and production of awareness material.

### Plan of action

- The NOU of Malaysia has the following objectives for the fourth phase of the institutional strengthening project: to monitor the implementation of the separately funded RMP, CTC Sector Phase Out Plan and Halon Bank Project. During the next phase of the IS project, the NOU will be implementing the action plan in decision XVIII/31, to bring Malaysia back into compliance with the control measures for CTC. Further to the implementation of specific projects, the NOU will continue raising public awareness through various activities.

### *Views Expressed by the ExCom*

#### *Malaysia*

The Executive Committee has reviewed the report presented with the institutional strengthening project renewal request for Malaysia and notes with appreciation that Malaysia reported data in 2005 to the Ozone Secretariat that was significantly lower than its 1995-1997 average CFC compliance baseline and that has exceeded the 50% Reduction target of the Montreal Protocol. The Executive Committee greatly supports the efforts of Malaysia to reduce the consumption of ODS. The Executive Committee is therefore hopeful that, in the next two years, Malaysia will continue with the implementation of its country programme and national phase-out activities with outstanding success in the reduction of current ODS consumption levels.

**PROJECT OF THE GOVERNMENT OF MALAYSIA  
INSTITUTIONAL STRENGTHENING (MONTREAL PROTOCOL)**

**1. PROJECT REVISION OBJECTIVE**

This project proposal is submitted to extend institutional strengthening support to the National Ozone Office for two additional years of operation (Apr 2007 through Apr 2009). The project will allow the National Ozone Office to continue to plan, organize, direct and coordinate all activities required for the implementation of Malaysia's strategy in all areas related to the Phase-out of Ozone Depleting Substances under the Montreal Protocol.

**2. BACKGROUND**

Malaysia acceded to the Vienna Convention, the Montreal Protocol and the London Amendment on 29 August 1989. It established the Ozone Protection Section within the Ministry of Environment to respond to mandates of the amended Montreal Protocol. The Executive Committee approved an initial amount of US\$ 322, 520 for an Institutional Strengthening Project to assist the Ozone Unit for planning and coordinating all activities related to fulfilling Malaysia's obligations under the Protocol.

The Institutional Strengthening Project has been subsequently renewed by the Executive as follows:

Phase	Duration	MLF Funding (Approved)
I	1995-1996	322,520
II	1997-1998	215,000
III	1999-2000	215,000
IV	2001-2002	215,000
V	2003-2004	279,500
VI	2005-2006	279,500

\* The extension was approved at 30% higher than the previous phase pursuant to ExCom Decision 35/57

The institutional framework established to ensure the implementation of the Action Plan in the Country Programme is the creation of the Ozone Protection Section in the Ministry of Environment. The Ozone Protection Section (OPS) is an official permanent, Government unit under the Air Division of the Department of Environment, Malaysia (Please refer to OPS Organization Structure 2005 appended). Therefore its operations, duties/functions, activities and action plan (Please refer to APPENDIX C) are endorsed fully and monitored by the Director General of the Department of Environment. The OPS is also the Secretariat to the National Steering Committee for the Protection of Ozone Layer (NSC) that serves as an advisory body to the Government. The Chair of the NSC is the Secretary General of the Ministry of Natural Resources and the Environment. SPO also act as a coordinating body

for various working groups for the implementation of Montreal Protocol in Malaysia (Please refer to APPENDIX D).

### 3. JUSTIFICATION FOR THE PROJECT EXTENSION:

It is estimated that the period 2007-2008 will be critical to continue the phase out of ODS consumption in Malaysia. The Extension is necessary at this time to ensure that Malaysia has the institutional capacity and support to the phase out activities required to meet the 2007 freeze as well as monitor the National CFC Phase out Plan. In this regard approval of the extension of the Institutional Strengthening is essential to guarantee the success of these actions. Full justifications for the extension and a detailed plan of action can be found in annex

### 4. PROJECT INPUTS.

The distribution of the budget is similar to the distribution during the last few years. Based on the previous account, the Government of Malaysia requests the MLF Executive Committee to renew the institutional strengthening for the National Ozone Office for the amount US\$ 279 500 to be broken down as follows:

	Planned Project Cost	MLF Funding	Counterpart Funding	Other Sources
a) Equipment component				
b) Professional Staff	65,000	65,000		
c) Support staff	65,000	65,000		
d) Consultants				
e) Operational cost	95,000	95,000		
f) Funds for public awareness	50,000			
g) Contingency	4,500	4,500		
h) Others including in-kind (specify)			50,000	
Total Amount	279,500	279,500		

**Extension of Institutional Strengthening Projects  
Plan of Action**

(Sections 1-16 to be completed by the country concerned prior to sending it to the implementing agency for comments in Section 17)

1. Country: **MALAYSIA**
2. National Implementing Agency / Ozone Unit: **OZONE PROTECTION SECTION / NATIONAL OZONE UNIT (NOU), DEPARTMENT OF ENVIRONMENT, MALAYSIA**
3. Implementing Agency: **UNDP**
4. Period of Extension: **From 1 January 2007 to 31 December 2008**  
(Based on the approved guidelines)
5. Amount of MLF funding requested: **USD279,500**
6. Status of ratification:

Amendment	Ratification Date	or projected date
London Amendment	<b>16.06.1993</b>	
Copenhagen Amendment	<b>05.08.1993</b>	
Montreal Amendment	<b>26.10.2001</b>	
Beijing Amendment	<b>26.10.2001</b>	

7. Consumption by group of substances and by sector. This is identical to the annual report the Ozone Units submit to the Fund Secretariat on the progress of implementation of Country Programmes. Please attach form with data for the most recent year or indicate when you sent it to the Secretariat if this has been done already.  
  
**Annual report on the progress of implementation of Country Programme has been sent to the Multilateral Fund Secretariat (Please refer to APPENDIX A).**
8. Indicate the main project objective for the next phase in relation to the country's compliance with the provisions of the Montreal Protocol:  
  
**The main objective of the next phase is to strengthen the enforcement and monitoring activities in order to ensure that the beneficiaries of MLF do not switch back to non-ODS consumption and Malaysia comply with the Montreal obligations. Another most important objective is to monitor illegal import of CFC and to organise more proactive roles in awareness campaigns on ozone environmentally users.**

9. Objectives, planned activities per year and expected results:

Year	Objectives	Planned Activities	Results expected
1 <sup>st</sup> Year and 2 <sup>nd</sup> Year	Enforcement	<p>Enforcement visit of investment CFC phase out project premises.</p> <p>Enforcement visit to building with chillers, halon fire extinguishing systems and MAC servicing workshops.</p> <p>Enforcement visit to enterprises that have received investment funding from MLF.</p> <p>Formulate new strategies, policy and control measures for MAC and Refrigerant service sectors (RSS) based on the approved National CFC Phase Out Plan NCFCP (2002 –2010).</p>	<p>To ensure full compliance with National Regulations, MLF funding criteria and conditions.</p> <p>To ensure CFC phase out schedule is complied especially meeting the 2005 50% reduction target.</p>
1 <sup>st</sup> Year and 2 <sup>nd</sup> Year	Monitoring	<p>Monitoring the on-going projects and newly identified projects under the NCFCP.</p>	<p>Project completed according to milestones and amount of ODS phase out accounted.</p>
1 <sup>st</sup> Year and 2 <sup>nd</sup> Year	Publication and Awareness	<p>Produce materials on ozone layer protection and organise awareness activities for public and industries.</p> <p>Create awareness among the end- users in the MAC and Refrigeration sectors.</p> <p>Conduct aggressive Awareness Seminars and Workshops for servicing sector.</p>	<p>Increase awareness and compliance with National Regulations on CFCs and Halons.</p> <p>Reduce CFC consumption in the service sector.</p>



	<p><b>Policy, Strategy , Regulation and Guideline</b></p>	<p>Conduct aggressive awareness workshop for SMEs in solvent and foam/commercial manufacturing sectors.</p> <p>Prepare policy and strategy related to phase out for remaining CFC in SMEs.</p> <p>Policy and regulation notice/announcement to stop use of CFC in manufacturing and servicing sectors</p>	<p>Reduce CFC consumption in the manufacturing sector.</p> <p>Reduce CFC not only in manufacturing sector in SMEs but also in servicing sectors.</p>
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10. Describe modalities how regular access of the Ozone Unit to senior decision-makers will be assured. Such modalities may include steering committees, advisory groups or inter-ministerial bodies:

Ozone Protection Section (OPS) is a Government Official permanent unit under the Air Division of the Department of Environment, Malaysia (Please refer to OPS Organisation Structure 2005 appended). Therefore its operations, duties/functions, activities and action plan (Please refer to APPENDIX C) are endorsed fully and monitored by the Director General of the Department of Environment. OPS is also the Secretariat to the National Steering Committee for the Protection of Ozone Layer (NSC) that serves as an advisory body to the Government. The Chair of the NSC is the Secretary General of the Ministry of Natural Resources and the Environment. SPO also act as a coordinating body for various working groups for the implementation of Montreal Protocol in Malaysia (Please refer to APPENDIX D).

11. Describe how the action plan for the IS project will be integrated in the national authorities' planning process:

IS Project action plan will be part of the Department of Environment's environmental management activities and plan to meet all environment requirements inclusive of Government's obligation to meet the requirement of the Montreal Protocol.

12. Planned Project Cost:

	Planned Project Cost	MLF Funding	Counterpart Funding	Other Sources
a) Equipment component				
b) Professional Staff	65,000	65,000		
c) Support staff	65,000	65,000		
d) Consultants				
e) Operational cost	95,000	95,000		
f) Funds for public awareness	50,000			
g) Contingency	4,500	4,500		
h) Others including in-kind (specify)			50,000	
Total Amount	279,500	279,500		

13. Personnel required:

Category and Numbers	Functional Titles/Expertise	Main Tasks	Time Period
Professional Staff	Principal Assistant Director / Chief of OPS	<p>To be responsible for the overall operation and administration of the Ozone Protection Section (OPS)</p> <p>To plan work programme for implementation.</p> <p>To advise the Department and Ministry on ODS phase out related matters.</p> <p>To attend Meetings and provide in-put relating to policy and strategies on ODS phase out.</p>	2 yrs
Support Staff	Assistant Director I (Planning and Development)	<p>To develop strategies, policies, guidelines and regulations for ODS control.</p> <p>To be responsible for ODS phase out programme, training and act as Secretariat to the NSC and liaison with project consultants and Implementing Agencies.</p>	2 yrs
	Assistant Director II (Implementation and Monitoring)	<p>Updating and monitoring ODS data and network system.</p> <p>Carrying out monitoring and enforcement program.</p> <p>Provide advisory services to industries on non-ODS technologies.</p> <p>Responsible for carrying out and monitoring the progress of ODS phase out projects under the Country Programme and NCFCP.</p>	2 yrs
	Assistant Environmental Control Officer I (Planning and Development)	<p>Assist in carrying out the activities and programme developed particularly on public awareness and publication / dissemination of ODS information.</p>	2 yrs

	Assistant Environmental Control Officer II (Planning and Development)	Assist in carrying out surveys and inventories and monitoring ODS projects. Monitor financial reporting and accounting	2 yrs
	Assistant Environmental Control Officer III (Implementation and Monitoring)	Carrying out enforcement activities and identification of future phase out projects.	2 yrs
	Assistant Environmental Control Officer IV (Implementation and Monitoring)	Carrying out monitoring and enforcement works	2 yrs
	Assistant Environmental Control Officer V (Implementation and Monitoring)	Carrying out monitoring and enforcement works	2 yrs
Consultant	N/A	N/A	

14. Title and schedule of reports to be submitted:

To Whom:	Title of Report	Planned Submission (Year/Quarter)
1. Government Departments	Annual Report of Department of Environment.	Yearly
	Environmental Quality Report	Yearly
2. Reports to Multilateral Fund Secretariat	Data on Consumption and Progress the implementation of ODS Phase out Projects/country program.	Yearly

<b>3. Reports to Ozone Secretariat</b>	<b>Data on ODS Consumption.</b>	<b>Yearly</b>
<b>4. Implementing Agency</b>	<b>IS Activity</b>	<b>Yearly</b>
<b>5. Other Implementing Agency (ies) (World Bank)</b>	<b>Annual Works Programme</b>	<b>Yearly</b>
	<b>Financial audit report</b>	<b>Yearly</b>
	<b>ODS audit data</b>	<b>Yearly</b>
	<b>Appraisal report of projects according to sectors</b>	<b>Quarterly</b>
	<b>Project completion report</b>	<b>Quarterly</b>
<b>6. Bilateral Donor(s)</b>	<b>N/A</b>	<b>N/A</b>
<b>7. Others (National Steering Committee)</b>	<b>Status of ODS Phase Out</b>	<b>Quarterly</b>
	<b>Status the implementation of NCFCP</b>	

**15. Action Plan prepared by:**

Name of Officer responsible for preparing the Action Plan:	<b>OMAR MUHAMAD ZAIN</b>
Title:	<b>SENIOR PRINCIPAL ASSISTANT DIRECTOR</b>
Organization/Agency/Ministry:	<b>DEPARTMENT OF ENVIRONMENT</b>
Date:	<b>9 JANUARY 2007</b>

**16. Government endorsement:**

Action Plan authorized by:	<b>DATO' HAJAH ROSNANI IBARAHIM</b>
Title:	<b>DIRECTOR GENERAL</b>
Supervising Organization/Agency/Ministry:	<b>DEPARTMENT OF ENVIRONMENT</b>
Date:	<b>9 JANUARY 2007</b>

17. Submission of Action Plan:

Name of Implementing Agency:	UNDP
Name of Project Officer:	Anil Sookdeo
Date:	January 21, 2007
Comments of Implementing Agency:	
Continuous MLF support is necessary to enable OPS/NOU to continue its successful implementation effort in ODS phase-out and to monitor/evaluate for sustainability	

==ANNEX 1 ==  
Annual Work Plan  
Budget to be Entered in ATLAS

Country: Malaysia  
Business Unit: MYS10  
Short Title: MYS/SEV/53/INS/159  
Long Title: Renewable of Institutional Strengthening: Phase 7  
Total Budget: US\$ 279,500

2008

Atlas Activity	Responsible Party	Atlas Budget Description	2008 amount (USD)	Dept. ID	Operation Unit	Fund	Implementing Agency	Donor ID
Activity 1 Renewable of Institutional Strengthening	OZONE PROTECTION SECTION, (OPS) / NATIONAL OZONE UNIT (NOU) DEPARTMENT OF ENVIRONMENT	71100	32,500.00	tbd	tbd	63030	tbd	10009
		71400	32,500.00	tbd	tbd	63030	tbd	10009
		71600	47,500.00	tbd	tbd	63030	tbd	10009
		72100	25,000.00	tbd	tbd	63030	tbd	10009
		74500	2,250.00	tbd	tbd	63030	tbd	10009
<b>Total</b>			139,750.00					

tbd - To be determined by the Country Office

Country: Malaysia  
 Business Unit: MYS10  
 Short Title: MYS/SEV/53/INS/159  
 Long Title: Renewable of Institutional Strengthening: Phase 7  
 Total Budget: US\$ 279,500

2009

Atlas Activity	Responsible Party	Atlas Budget Description	2009 amount (USD)	Dept. ID	Operation Unit	Fund	Implementing Agency	Donor ID
Activity 1 Renewable of Institutional Strengthening	OZONE PROTECTION SECTION, (OPS) / NATIONAL OZONE UNIT (NOU) DEPARTMENT OF ENVIRONMENT	71100	32,500.00	tbd	tbd	63030	tbd	10009
		71400	32,500.00	tbd	tbd	63030	tbd	10009
		71600	47,500.00	tbd	tbd	63030	tbd	10009
		72100	25,000.00	tbd	tbd	63030	tbd	10009
		74500	2,250.00	tbd	tbd	63030	tbd	10009
		<b>Total</b>			139,750.00			

tbd - To be determined by the Country Office



## PROJECT IMPLEMENTATION ACTIVITIES

All activities should comply with the UNDP Programming Manuals. With regard to substantive, technical or policy issues, the Montreal Protocol Unit in BDP should be consulted whenever in doubt.

Stage	Responsibilities of UNDP Country Office
<b>Preparation</b>	<ul style="list-style-type: none"> <li>• Process UNDP signature of project document.</li> <li>• Process Government signature of Project Document.</li> <li>• Process Executing Agent signature of Project Document as relevant.</li> </ul>
<b>Implementation</b>	<p><i>Management Oversight</i></p> <ul style="list-style-type: none"> <li>• Project launching.</li> <li>• Steering committee meetings.</li> <li>• Monitoring the implementation of the work plan and timetable.</li> <li>• Field visits: ensure visit to the project site at least once a year; prepare and circulate reports no later than two weeks after visit completion. (only if necessary)</li> <li>• Problem identification and trouble shooting</li> <li>• Project document revision</li> <li>• Review, editing and response to reports (with copy to MPU)</li> <li>• Administrative backstopping as needed</li> <li>• Policy negotiations</li> <li>• Operational completion activities in agreement with MPU, determining when the project is operationally completed and advising all interested parties accordingly.</li> </ul> <p><i>Financial Management &amp; Accountability</i></p> <ul style="list-style-type: none"> <li>• Financial management (verifying expenditures, advancing funds, issuing combined delivery reports, ensuring no over-expenditure of budget).</li> <li>• Ensuring annual audits of NEX projects are completed and the audited financial statements together with the audit report reach UNDP headquarters (Office of Audit and Performance Review) as needed.</li> <li>• Timely issuance of the initial Annual Work Plan (AWP) and subsequent Budget Revisions.</li> <li>• Operational and financial completion of the activities in agreement with MPU, ensuring that projects are financially completed no more than 12 months after the date of operational completion by ensuring the final budget revision is promptly prepared and approved.</li> </ul>
<b>Evaluation</b>	<ul style="list-style-type: none"> <li>• Ensure preparation and completion of Annual Project Reports (APRs), two weeks before the end of the January the following year.</li> <li>• Ensure completion of Project Completion Report (PCR) is done by the NOU at the end of the project and provide necessary inputs into the PCR.</li> <li>• Provide necessary inputs in on-going evaluations</li> </ul>

**United Nations Development Programme**

**Montreal Protocol Unit**



March 18, 2008

Dear Mr. Richard LEETE,

**Subject: Project approved at the 53<sup>rd</sup> Executive Committee Meeting - Montreal Protocol.**

We are pleased to inform you that the following project was approved for Malaysia at the 53<sup>rd</sup> Meeting of the Executive Committee of the Multilateral Fund, held in Montreal, Canada from 26-30 November 2007.

MLF Reference*	Project Title	US\$
MYS/SEV/53/INS/159	Renewable of Institutional Strengthening (Phase 7)	279,500

Note\*: Please indicate this reference number in the cover sheet of the project document and in the ATLAS short project title.

**Please find the following important clarifications related to this project.**

- 1. Implementation Modality.** We are suggesting that this project will be implemented through the NEX modality. The Country Office will have the responsibility to carry out the tasks specified in Annex 2 to the present document.
- 2. Project Document Format.** We are attaching herewith the project document that was approved by the Executive Committee. This is the document that states "Phase-out of CFC consumption in the Manufacture of Metered Dose Inhalers (MDIs) in Malaysia". We have produced a short UNDP-project document containing the budget allocation approved for UNDP. It is important to annex the UNDP Prodoc and the Approved Project Document without any change to the document that will be signed between UNDP and the Government. No outputs, activities or inputs can be added, modified or deleted in the attached document that was approved by the Executive Committee. If changes are needed, this may be done in a subsequent project revision after consultation with this office.
- 3. Entering the Budget into ATLAS.** Your office is requested to enter the budget into ATLAS, using the Annual Work Plan tables that are provided on at the end of this document. The Multilateral Fund guidelines do not give us flexibility to shift funds between specific budget categories.

./..

**Mr. Richard Leete**  
Resident Representative,  
UNDP Malaysia

4. Support Cost. The General Management Support Services (GMS) fee received by UNDP in relation to these projects is managed centrally at BDP-HQ, and should NOT be part of the project budget. In ATLAS, please therefore leave the F/A field % at zero. GMS, covering management support rendered by your office, will be negotiated with BDP-MPU and will be credited directly to your XB income based on delivery. Implementation Support Services (ISS) should be charged to the project budget, following the 2004 UNDP guidelines on Cost Recovery Policy (including use of the Universal Price List).

This would have to be applied for services provided other than project management. In this regard it should be noted however that charging budget lines for administrative actions undertaken by UNDP would be against Multilateral Fund (MLF) guidelines and procedures. As such, at the end of the year, the project would have to be credited back by the ISS amounts that were charged to the project budget using the Universal Price List. This exercise will be carried out by MPU HQ.

5. Government Counterpart. Just as a reminder, kindly note that the National Ozone Focal Point in your country is **Ms. Aminah Ali**, Environmental Control Officer, Department of Environment, Ministry of Natural Resources & Environment, [min@doe.gov.my](mailto:min@doe.gov.my) and her alternate is **Ms. Marzwin Mohammed**, Environmental Control Officer, Department of Environment, Ministry of Natural Resources & Environment, [mazwin@doe.gov.my](mailto:mazwin@doe.gov.my). While they may not be the ones to sign the project document on behalf of the Government, kindly make sure that they are both copied on every correspondence related to this matter.

6. Over-Expenditures. We wish to remind you that over-expenditures are absolutely not allowed in Montreal Protocol projects. Please therefore ensure that total expenditures never exceed the budget total.

More information on these decisions can be obtained from the National Ozone Focal Point.

Based on the above points, kindly finalize the project documentation and enter the proposal into ATLAS. Please inform **Mr. Anil Sookdeo**, [anil.sookdeo@undp.org](mailto:anil.sookdeo@undp.org) using the "email notification" feature within ATLAS. After this last clearance from us, you are then authorized to sign the project document on behalf of UNDP. Please do not send the budget to KK before the project document has been signed. Once the project document has been signed please send the budget to "Commitment Control" and send a copy of the cover page and request for ASL to MPU.

Thank you very much for your important partnership in the implementation of this programme. Elimination of Ozone Depleting Substances constitutes one of the Service Lines under UNDP's "Energy and Environment for Sustainable Development" Practice.

Yours sincerely,

Suely Carvalho,  
Chief, Montreal Protocol Unit  
GEF PTA - Chemicals  
Energy and Environment Group  
Bureau for Development Policy

==ANNEX 1 ==  
Annual Work Plan  
Budget to be Entered in ATLAS

Country: Malaysia  
Business Unit: MYS10  
Short Title: MYS/SEV/53/INS/159  
Long Title: Renewable of Institutional Strengthening: Phase 7  
Total Budget: US\$ 279,500

2008

Atlas Activity	Responsible Party	Atlas Budget Description	2008 amount (USD)	Dept. ID	Operation Unit	Fund	Implementing Agency	Donor ID
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		71400	32,500.00	tbd	tbd	63030	tbd	10009
		71600	47,500.00	tbd	tbd	63030	tbd	10009
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		74500	2,250.00	tbd	tbd	63030	tbd	10009
<b>Total</b>			139,750.00					

tbd - To be determined by the Country Office

*Proposed*  
US 00658326