

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT DOCUMENT**Malaysia**Empowered lives.
Resilient nations.**Project Title:** Institutional Strengthening Project (Phase XIII) (MAL/SEV/84/INS/188)**Project Number:** 00120066**Implementing Partner:** National Ozone Unit, Department of Environment, Ministry of Environment and Water, Government of Malaysia**Start Date:** Jan 2020**End Date:** Dec 2021**PAC Meeting date:** n/a**Brief Description**

This project proposal was submitted to extend institutional strengthening support to the National Ozone Unit (NOU), of the Department of Environment, for two additional years of operation. The project will allow the NOU to continue to plan, organise, 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 (ODS) under the Montreal Protocol on Substances that Deplete the Ozone Layer. The 84th Meeting of the Executive Committee of the Montreal Protocol held in December 2019 approved the extension of the Institutional Strengthening project for Malaysia for another 2 years.

The main objective of the project is to further enhance the overall programme management capacity of the National Ozone Unit to meet its commitments under the Montreal Protocol, especially to enforce ODS policy development and supervision. The extension of Phase XIII will provide the NOU with the necessary resources and support to sustain previous ODS phase-out progress and achieve HCFC control targets for continued compliance with the Montreal Protocol, in addition to implementing upcoming national HFC phase-down activities and programmes in compliance with targets under the Kigali Amendment to the Montreal Protocol.

Contributing Outcome (UNDAF/CPD, RPD or GPD):

CPD 2016-2020: Priority 2a: Enhancing national resilience to climate variability and change

CPD 2021-2025 (indicative): Outcome 2 – By 2025, environmental sustainability and resilience are mainstreamed as a priority within the national development agenda, across all sectors and levels of society

Indicative Output(s):

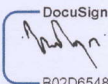
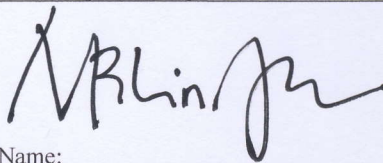
CPD 2016-2020: Output 1.1 – Number of climate change mitigation actions which are funded and implemented in line with United Nations Framework Convention of Climate Change (including those funded and implemented under the Montreal Protocol Multilateral Fund)

CPD 2021-2025 (indicative): Output 2.1 – Transitioning national development towards a decarbonised pathway and a resource efficient economy through the adoption of green growth strategies and practices across all sectors

Total resources required:	USD 357,760	
Total resources allocated:	UNDP TRAC:	
	Donor (MLF):	USD 357,760
	Donor:	n/a
	Government:	n/a
	In-Kind (Implementing partner):	USD 200,000
Unfunded:		

Note: This is a continuation of the IS projects which has started since 1995. Since IS X, the IS project document will be signed between both UNDP and the Implementing Agency (Department of Environment, Malaysia)

Agreed by (signatures):

UNDP	Implementing Partner
<p>DocuSigned by:</p>  <p>B02D6548F04E455...</p> <p>Print Name: Niloy Banerjee UNDP Resident Representative</p> <p>Date: for Malaysia, Singapore and Brunei Darussalam 28 April 2020</p>	 <p>Print Name:</p> <p>Date: 30 April 2020</p>

NORLIN BINTI JAAFAR
DIRECTOR GENERAL
DEPARTMENT OF ENVIRONMENT
MALAYSIA

Table of Contents

I. DEVELOPMENT CHALLENGE.....	4
II. STRATEGY.....	4
III. RESULTS AND PARTNERSHIPS.....	5
IV. PROJECT MANAGEMENT.....	7
V. RESULTS FRAMEWORK.....	8
VI. MONITORING AND EVALUATION.....	10
VII. MULTI-YEAR WORK PLAN.....	13
VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS.....	16
IX. LEGAL CONTEXT AND RISK MANAGEMENT.....	18
ANNEX I: PROJECT QUALITY ASSURANCE REPORT.....	19
ANNEX II: RISKS AND MITIGATION.....	19
ANNEX III: TERMS OF REFERENCE: PROJECT STEERING COMMITTEE (PSC).....	20
ANNEX IV: TERMS OF REFERENCE: NATIONAL PROJECT DIRECTOR.....	21
ANNEX V: RESULTS OF THE CAPACITY ASSESSMENT OF THE PROJECT IMPLEMENTING PARTNER AND HACT MICRO ASSESSMENT.....	22
ANNEX VI: PROJECT ANNUAL REPORT TEMPLATE.....	45
ANNEX VII: FACE FORM TEMPLATE.....	55
ANNEX VIII: TERMINAL REPORT AND REQUEST FOR EXTENSION.....	56

Acronyms and abbreviation

APR	Annual Progress Report
AWP	Annual Work Plan
CDR	Combined Delivery Report
CFC	Chlorofluorocarbon
CPAP	Country Programme Action Plan
CPD	Country Programme Document
DOE	Department of Environment
EPU	Economic Planning Unit
FACE	Funding Authorisation and Certificate of Expenditures
HACT	Harmonized Approach to Cash Transfer
HCFC	Hydrochlorofluorocarbon
HFC	Hydrofluorocarbon
IS	Institutional Strengthening
MIDA	Malaysian Investment Development Authority
MITI	Ministry of International Trade and Industry
MLF	Multilateral Fund
MOE	Ministry of Environment and Water
MOP	Meeting of the Parties
MP	Montreal Protocol
NFP	National Focal Point
NIM	National Implementation Modality
NOU	National Ozone Unit
NSC	National Steering Committee
ODS	Ozone Depleting Substances
OEWG	Open-ended Working Group
OPS	Ozone Protection Section
SBAA	Standard Basic Assistance Agreement
UNDP	United Nations Development Programme

I. DEVELOPMENT CHALLENGE

The Institutional Strengthening (IS) project plays a very important role in Malaysia's ODS phase-out activities. With the support of the Multilateral Fund under the IS project, the project management, policy formulation and enforcement capacity of the NOU have been significantly strengthened through the different phases of the IS project. NOU monitors and manages effectively the day-to-day implementation of ODS phase-out activities through well designed action plans to achieve accelerated reduction of HCFCs. Actions are also undertaken to ensure sustainability of the phase-out achievements.

The extension of Phase XIII will provide the NOU with the necessary resources and support to sustain previous ODS phase-out progress and achieve HCFC control targets for continued compliance with the Montreal Protocol, in addition to implementing upcoming national HFC phase-down activities and programmes in compliance with targets under the Kigali Amendment to the Montreal Protocol.

II. STRATEGY

The project complies with the agreed strategies as stated in the Country Programme Action Plan (CPAP) (also referred to as the Country Programme Document, CPD) for the period 2016-2020, and also the indicative CPD for 2021-2025. Under priority 2, the current CPAP advocates for Sustainable and Resilient Development which emphasises the enhancement of national resilience to climate variability and change under priority area 2a, whereas in the indicative CPD 2021-2025, Outcome 2 aims for environmental sustainability and resilience to be mainstreamed as a priority within the national development agenda by 2025. In addition, the project is in line with several thrusts under the United Nations Sustainable Development Goals and 11th Malaysia Plan Mid-Term Review strategy, which focuses on building an enabling environment for green growth and sustainable development within the national development agenda. Finally, this project also aligns with the UNDP Strategic Plan 2018-2021 Output 1.1.1 which focuses on developing capacities across the whole of government to integrate the 2030 Agenda and other international agreements in development plans and budgets. Activities carried out by the National Ozone Unit of the Department of Environment, with funding from the Multilateral Fund of the Montreal Protocol, reflects Malaysia's commitment towards achieving environmental sustainability through GHG and ODS mitigation via the phasing out of HCFC and phasing down of HFC within relevant sectors.

The project intends to achieve the following outcomes:

- 1) To improve policy formulation and enforcement
- 2) To strengthen efficient and timely data reporting
- 3) To strengthen coordination with related agencies
- 4) To improve project management of NOU
- 5) To promote public awareness

Project objectives would be achieved by (a) planning effective elimination and control measures on the imports and illegal trade of ODS and HFC (via the implementation of the Application Permit System and ODS HS Code respectively); (b) establishing effective coordination and institutional mechanisms with relevant government agencies to support regulations and legislation on ODS management; (c) ensuring improved project management and staff capacity building by providing training, conducting study tours, etc.; (d) strengthening mechanisms on information exchange and dissemination, and the promotion of activities related to ODS phase-out initiatives and HFC phase-down strategies in the country; (e) conducting audits and implementing and monitoring present and future ODS phase-out projects approved by the MLF.

III. RESULTS AND PARTNERSHIPS

Expected Results

IS Phase XIII is expected to further enhance the overall programme management capacity of the National Ozone Unit for the protection of the ozone layer and support the NOU's Montreal Protocol-compliant activities. Below are the main objectives of the project:

- i) Operational activities of the NOU – Support the implementation of applicable legislation and regulation for the control and monitoring of ODS and HFC consumption, timely data collection and reporting, awareness raising and participation in Montreal Protocol-related meetings.
- ii) Capacity building and consultation meetings/workshops – Support capacity building programmes for NOU, consultations and coordination with other national agencies/stakeholders, and organization of seminars and workshops related to the implementation of ODS phase-out activities.

Resources Required to Achieve the Expected Results

The 84th Meeting of the Executive Committee of the Montreal Protocol held in December 2019 approved the extension of the Institutional Strengthening project for Malaysia for another 2 years for an amount of USD 357,590 for the period January 2020 to December 2021. The project will also be supported by in-kind contribution from the National Ozone Unit towards staff and other facilities.

Partnerships

The Implementing Partner is the National Ozone Unit, Department of Environment, Ministry of Environment and Water. NOU is the Secretariat to the National Steering Committee (NSC) on Protection of the Ozone Layer which governs all Montreal Protocol-related initiatives including the national HCFC Phase-Out Management Plan (HPMP) projects and HFC phase-down strategies. The Project Steering Committee (PSC) will assist the NSC in handling all technical and operational matters of the project, having members from DOE, EPU under Prime Minister's Department, Royal Malaysian Customs Department, MITI, MIDA, MOE, UNDP and other relevant stakeholders as determined by the NSC. In addition, the project will involve relevant stakeholders such as industry associations, technical committee members, etc. for the development of policy and regulations and for awareness creation.

Risks and Assumptions

The project is in line with the ODS phase-out compliance targets of the country and will receive financial support from the MLF. This is a continuation of ongoing IS projects since 1995, with no major issues or complications arising since. Hence, it is anticipated that the project will not experience or lead to any significant environmental, operational or financial risks. However, minor risks such as financial loss due to currency exchange rates or less-than-expected participation of stakeholders in awareness programmes may be expected. This will be monitored regularly, and action will be taken as required.

Stakeholder Engagement

NSC and PSC meetings consisting of members from the Government such as EPU, Royal Malaysian Customs Department, MITI, MIDA, etc. will be held regularly. Technical committee meetings will be held to address technical issues and challenges, and consultation meetings with other relevant agencies and industry associations to discuss project-related matters will be held where necessary.

Knowledge

Various activities will be conducted to enhance awareness of stakeholders and the general public on ODS phase out and ozone layer protection, especially in terms of the implementation of HPMP Stage-II and its linkages to HFC phase down and climate change. This will include the organization of seminars/workshops, events (such

as the annual National Ozone Day celebration), roadshows and other such awareness activities. The project is also anticipated to produce awareness materials such as leaflets, booklets etc. for distribution at seminars, technician trainings, state offices and events.

Sustainability and Scaling Up

Project achievements would be sustainable by (a) improving the capacity of NOU in policy development and enforcement, information collection and exchange, project management, training, promotion activities, and human resource management; (b) establishing policies to support regulations on ODS management; (c) increasing public awareness, and (d) keeping in contact with the international community so as to work in line with global efforts in protecting the ozone layer.

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The project is expected to deliver maximum impact with efficient and effective use of available resources made available by the Multilateral Fund of the Montreal Protocol and operationalizing the guidelines governed by the existing Environmental Quality Act 1974, vis-à-vis policies and strategies related to HCFC consumption under the Environmental Quality (Refrigeration Management) Regulations 2020, amendment of Environmental Quality (CFC Use as Blowing Agent and Propellant) Regulations 1993, and other relevant regulations.

The project is designed around supplementing institutional processes instead of duplicating them; hence, enabling project outputs to be incorporated into national systems and processes, which can be sustained for the longer-term.

Project Management

This project will be executed under the National Implementation Modality (NIM). The national counterpart for this project is the National Ozone Unit (NOU), Department of Environment, Ministry of Environment and Water. NOU acts as a National Focal Point (NFP) for planning, policy and strategy development, project monitoring and management, promulgating and enforcing law and regulations concerning ODS use, and implementing ODS phase-out activities at all levels. NOU is the Secretariat of the National Steering Committee (NSC) on Protection of the Ozone Layer and acts as a chairman for various working groups. NOU is responsible to provide information on the progress and development of ODS and HFC issues to the cabinet ministers.

This project will be governed by a Project Steering Committee, which will be chaired by the Deputy Director General of the Department of Environment.

UNDP will be the Implementing Agency, responsible for monitoring and evaluating project objectives, activities, output and emerging issues.

V. RESULTS FRAMEWORK

Intended Outcome as stated in the Country Programme Results and Resource Framework: Sustainable & Resilient Development							
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:							
CPD 2016-2020: Priority 2a – Enhancing national resilience to climate variability and change.							
Indicator 1.1: Number of climate change mitigation actions which are funded and implemented in line with United Nations Framework Convention of Climate Change (UNFCCC) (including those funded and implemented under the Montreal Protocol Multilateral Fund).							
CPD 2021-2025 ¹ (indicative): Output 2.1 – Transitioning national development towards a decarbonised pathway and a resource efficient economy through the adoption of green growth practices across all sectors.							
Indicator 2.1.3: Number of climate change mitigation strategies implemented in line with Malaysia's Nationally Determined Contribution and climate action plans.							
Applicable Output(s) from (UNDP Strategic Plan 2018 – 2021): Output 1.1.1 – Capacities developed across the whole of government to integrate the 2030 Agenda, the Paris Agreement and other international agreements in development plans and budgets, and to analyse progress towards the SDGs, using innovative and data-driven solutions.							
Project title and Atlas Project Number: Institutional Strengthening Project (Phase XIII) (ATLAS AWARD ID: 00125863 / PROJECT ID: 00120066)							
EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)		DATA COLLECTION METHODS & RISKS
			Value	Year	Year 2020	Year 2021	
Output 1 <i>Implementation of NOU's operational and Montreal Protocol-compliant activities</i>	1.1 Adoption of ODS legislation and regulation to control and monitor ODS and HFC consumption - Licensing of HFC import and export and quota system for HCFC in place - Enforcement control measures taken to sustain ODS phase out	Online approvals Training of technicians	This is an ongoing activity		300	300	Online approval system reports and visit/training reports
	1.2 Efficient and timely data collection and reporting - CP report submitted - A7 data report submitted	CP and A7 data reports submission dates	This is an annual activity		1 1	1 1	CP and A7 data reports
	1.3 Consultations and coordination with other national agencies/stakeholders - NSC/PSC meetings held - Other stakeholder meetings held (customs, industry associations etc)	Meeting documents	This is an ongoing activity		1 5	1 5	Meeting reports

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)		DATA COLLECTION METHODS & RISKS
			Value	Year	Year 2020	Year 2021	
	1.4 Supervision of timely implementation of phase-out activities and reduction in ODS consumption	HPMP progress reports	This is an ongoing activity		1	1	HPMP annual progress reports submitted to the ExCom
	1.5 Awareness raising and information exchange	Workshop reports	This is an ongoing activity		10	10	Annual progress report
	1.6 Regional cooperation and participation to Montreal Protocol meetings	Meeting reports	This is an annual activity		3	3	Network meeting, OEWG, MOP and ExCom meeting reports

¹ The outcomes and outputs under the next CPD 2021-2025 are indicative and currently under discussion between UNDP and the Government of Malaysia.

VI. MONITORING AND EVALUATION

The project activities will be monitored by UNDP as outlined in the Country Programme Action Plan 2016-2020 Part VII: Monitoring and Evaluation.

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.	NOU and UNDP	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Semi-annually	Based on the initial risk analysis identified, a risk log shall be actively maintained, including by reviewing the external environment that may affect the project implementation. Risk management actions will be identified and monitored using a risk log.	NOU and UNDP	
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	NOU and experts	
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Exempted	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	Exempted	
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	NOU and UNDP	
Project Review	The project's governance mechanism (i.e., project	At least annually	Any quality concerns or slower than	NOU and UNDP	

(Project Board)	board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.		expected progress should be discussed by the project board and management actions agreed to address the issues identified.		
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Monitoring and evaluation of this project will be conducted in tandem with the monitoring mechanisms implemented under the HCFC Phase-Out Management Plan (HPMP) Stage-II project. In addition, the project progress reporting documents required for UNDP are as follows:

- **Mid-Year Progress Report (MYPR)**

The Mid Year Progress Report shall cover progress over a six-month period and utilize the standard template. MYPRs for IS projects are not required to be submitted to the Implementing Partner (EPU) and will be completed and kept for internal records only.

- **Annual Progress Report (APR)**

The Annual Progress Report shall highlight risks and challenges, the summary of results achieved, and lessons learnt of the project for that reporting year. APRs for IS projects are not required to be submitted to the Implementing Partner (EPU) and will be completed and kept for internal records only.

The specific financial monitoring and quality assurance are as follows:

- **Combined Delivery Reports**

The Combined Delivery Report (CDR) is the report that reflects the total expenditures and actual obligations (recorded in Atlas) of a Project during a period. This report is prepared by UNDP and shared with the implementing partner, at minimum, on a bi-annual basis. The Implementing Partner is required to verify each transaction made and sign the issued CDR report.

- **HACT Audit**

Audit is an integral part of sound financial and administrative management, and of the UNDP accountability framework. The project will be audited at least once in its lifetime and in accordance with the threshold established for the annual expenditures by the Office of Audit and Investigations (OAI). The audit provides assurance that resources are used to achieve the results described and that UNDP and government cost sharing resources are adequately safeguarded.

The Auditor-General's Office may undertake the audits of Government Implementing Partners. If the Auditor-General's Office chooses not to undertake the audits of specific Implementing Partners with the frequency and scope required by UNDP and EPU, such audits will be commissioned by UNDP to be undertaken by private sector audit services.

Assessments and audits of non-Government Implementing Partners will be conducted in accordance with the policies and procedures of UNDP. The selection of an Audit Firm shall be through a competitive Request for Proposals, in consultation with the Implementing Partner and EPU.

The audit is expected to provide assurance related to the following broad areas:

- Project progress and rate of delivery
- Financial management
- Procurement of goods and /or services
- Human resource selection and administration
- Management and use of equipment and inventory
- Record-keeping systems and controls
- Management structure
- Auditors' comments on the implementation status of prior year audit results

VII. MULTI-YEAR WORK PLAN ^{2,3}

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TARGET FOR PLANNED ACTIVITIES	2020	2021	RESPONSIBLE PARTY	PLANNED BUDGET	
						Funding Source	Budget Description Amount (USD)
Activity 1: <i>Implementation of NOU's Operational and Montreal Protocol-compliant activities</i>	1.1 Operational activities of the NOU	1. Day-to-day operational activities	X	X	NOU	MLF (63030)	72100 – Contractual Services 103,760
		2. Verification visits, data audits, e-CSTP management and engagement with enforcement officers	X	X			
		3. Publication and awareness	X	X			
		4. Online application processing for approval of import and export of HCFC and HFC	X	X			
		5. Timely preparation and submission of CP and A7 data for 2020 and 2021	X	X			
		6. Participation in training/workshops, OEWG, MOP and other Montreal Protocol related meetings	X	X			
		7. Preparation for ratification of the Kigali Amendment	X	X			

² Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

³ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TARGET FOR PLANNED ACTIVITIES	2020	2021	RESPONSIBLE PARTY	PLANNED BUDGET			
						Funding Source	Budget Description	Amount (USD)	
	1.2 Capacity building and consultations/workshops for Montreal Protocol-related projects	<ol style="list-style-type: none"> 1. NSC, PSC, and technical meetings 2. Consultation meetings with industry associations and other stakeholders 3. Meetings/consultations, roadshows & capacity building for Customs Dept 4. Seminars/workshops/roadshows on alternative technologies for HCFC, Methyl Bromide, and Halon 5. Capacity building related to the Montreal Protocol 	X	X	NOU/UNDP	MLF (63030)	75700 – Training, workshops & conferences	164,000	
		X	X	71600 – Travel			26,000		
		X	X	74500 – Miscellaneous			4,000		
TOTAL									357,760

Annual Work Plan

Output/Atlas Activity	Responsible Party	Fund Code	Donor	ATLAS Budget Account Code	ATLAS Budget Description	2020 (USD)	2021 (USD)	Total (USD)	
Activity 1: Implementation of NOU's operational and Montreal Protocol-compliant activities	DOE (000406)	63030	MP	72100	Contractual services	70,000	33,760	103,760	
		63030	MP	71400	Contractual services - individual	30,000	30,000	60,000	
		63030	MP	75700	Training, workshops, and conferences	82,000	82,000	164,000	
		63030	MP	71600	Travel	10,000	10,000	20,000	
	UNDP (001981)	63030	MP	71600	Travel	3,000	3,000	6,000	
		63030	MP	74500	Miscellaneous	2,000	2,000	4,000	
	GRAND TOTAL						197,000	160,760	357,760

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Programme Management Arrangements

A Project Steering Committee (PSC) will provide guidance and direction to the project implementation process according to the established detailed work plan monitoring tool. The PSC will assist the National Steering Committee (NSC) in handling all technical and operational matters of the project. The members of the PSC will consist of representatives from the DOE, EPU, Royal Malaysian Customs Department, MITI, MIDA, Ministry of Environment and Water, UNDP and other relevant stakeholders to be determined by the National Steering Committee. The PSC shall meet at least once a year and will be chaired by the Deputy Director General of Department of Environment. The HPMP Stage-II PSC meetings will be leveraged to discuss IS project matters.

National Project Director (NPD)

The National Project Director is the Director of Air Division, Department of Environment and will be responsible for managing project activities and providing direction and guidance on project-related issues, in addition to ensuring that the project document and project revisions requiring Government's approval are endorsed and approved in accordance with established procedures. The NPD is also the Secretary to the PSC.

Project Manager (NPM)

The Project Manager is the Officer-in-charge from the Department of Environment and will be responsible for day-to-day coordination of project activities as per the project document. Among these responsibilities are managing project activities, recommending payments for approval by the NPD, preparing project reports, and ensuring the project runs in accordance with established procedures.

Financial Management Arrangements

Based on the approved AWP, UNDP will provide required financial resources to the Implementing Partner to carry out project activities during the annual cycle. The following modalities may be used, where applicable and relevant:

- Direct cash transfers to the Implementing Partner, for obligations and expenditures to be made by them in support of activities;
- Direct payments to vendors and other third parties, for obligations incurred by the Implementing Partner;
- Reimbursement to the Implementing Partner for obligations made and expenditure incurred by them in support of activities.

The Implementing Partner will work closely with UNDP to monitor the use of financial resources and are accountable for:

- Managing UNDP and the Government of Malaysia's resources to achieve the expected results;
- Maintaining an up-to-date accounting system that contains records and controls to ensure the accuracy and reliability of financial information and reporting. Expenditures made should be in accordance with the Annual Work Plans and budgets.

At the end of a quarter/year, UNDP prepares a Combined Delivery Report (CDR) which records all disbursements made under the project for verification. The Implementing Partner and UNDP should sign this CDR.

A project revision shall be made when appropriate; to respond to changes in the development context or to adjust the design and resources allocation to ensure the effectiveness of the project provided that the project remains relevant to the CPAP.

UNDP Support Services

In addition to the roles and responsibilities assigned to UNDP and the Implementing Partner in the Project Document, UNDP may/ shall provide the following services, at the request of the Implementing Partner.

- Identification and recruitment of project personnel;
- Procurement of goods and services;
- Identification of training activities and assistance in carrying them out;
- Direct payment to vendors (FACE FORM payments)

The above will be carried out based on UNDP policies and procedures following the principles of best value for money, fairness, integrity, transparency, and effective competition. Transaction cost/cost recovery for the above services will be based on UNDP's Universal Price Lists (UPL) provided to the Country Offices annually.

In-Kind Contributions

In addition to the financial resources through UNDP, the implementing partner will provide the following in-kind contribution:

- Assist in gaining access to all relevant data and information required for the project that is accessible for public viewing;
- Office space (i.e. room/workspace) for the Project team, consultants and experts;
- Use of office support facilities by the Project team, consultants and experts (e.g. fax machine, stationary, photocopy machine, telephone), and secretarial support where applicable;
- Facilities for convening meetings, workshops and seminars.

IX. LEGAL CONTEXT AND RISK MANAGEMENT

This document together with the CPAP signed by the Government and UNDP which is incorporated herein by reference, constitute together a Project Document as referred to in the Standard Basic Assistance Agreement (SBAA); as such all provisions of the CPAP apply to this document. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner”, as such term is defined and used in the CPAP and this document.

Consistent with Article III of the Standard Basic Assistance Agreement (SBAA), the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

- a) put in place an appropriate security plan and maintain the security plan, considering the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner’s obligations under this Project Document.

The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document.

ANNEX I: PROJECT QUALITY ASSURANCE REPORT

Exempted.

ANNEX II: RISKS AND MITIGATION

Description	Type	Impact & Probability	Mitigation Measures
The value of US Dollars foreign exchange against the Ringgit may reduce during the project cycle.	Financial	Probability: Low Impact: Medium	There will be a need to regularly monitor the exchange rate to ensure that it does not affect the budget of the project. If there are major changes, the budget will be adjusted accordingly to ensure that expenditures do not exceed the allocated budget
Low take up rate by project proponents	Management	Probability: Medium Impact: Medium	Awareness programmes may lack 'buy-in' from targeted stakeholders. NOU will need to monitor stakeholders' perception and take the appropriate steps to reduce this risk.

ANNEX III: TERMS OF REFERENCE: PROJECT STEERING COMMITTEE (PSC)

The Project Steering Committee (PSC) will monitor the conduct of the project and provide strategic guidance to the project team on the implementation of the project. The PSC will be chaired by the Deputy Secretary General, Department of Environment.

The National Ozone Unit (NOU) will act as Secretariat to the PSC. Members of the PSC will consist of representatives from EPU, MOE, DOE, MITI, UNDP and other relevant stakeholders to be determined by the Committee. The PSC will meet at least once a year. The following will be the duties and responsibilities of the committee:

- Provide policy guidance on matters pertaining to the implementation of the project;
- Review, approve and endorse proposed work plans and budget;
- Initiate remedial actions to overcome all constraints in progress of the project;
- Review and approve relevant changes to the project design;
- Coordinate the roles of the various organizations involved in the execution of the project and ensure harmony with related activities;
- Advise on the long-term sustainability strategy of the project;
- Review and approve all related reports to the projects.

ANNEX IV: TERMS OF REFERENCE: NATIONAL PROJECT DIRECTOR

The National Project Director (NPD) is a staff member of the Government of Malaysia's implementing agency of a UNDP-supported project and in this case, will be the Director – Air Division under the Department of Environment. The NPD's main responsibility is to coordinate project activities with the main parties to the project, the Government co-coordinating authorities, appointed consultants, and UNDP.

The NPD will also work in close collaboration with UNDP in:

- Ensuring that the project document and project revisions requiring Government's approval are processed through the Government co-ordinating authority, in accordance with established procedures;
- Preparing work plans in discussion with UNDP;
- Mobilizing national institutional mechanisms for smooth progress of project;
- Providing formal project/deliverable sign-off and acceptance upon verification of the project outputs;
- Reviewing project status reports;
- Providing direction and guidance on project-related issues;
- Providing advice and guidance to the project team.

**ANNEX V: RESULTS OF THE CAPACITY ASSESSMENT OF THE PROJECT
IMPLEMENTING PARTNER AND HACT MICRO ASSESSMENT**

MOORE STEPHENS

UNDP Micro Assessment

Department of Environment, Malaysia

Moore Stephens LLP Chartered Accountants

London

5 July 2016

**Moore Stephens LLP
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Contents

1. MICRO-ASSESSMENT FINDINGS	3
1.1. RISK ASSESSMENT RESULTS	3
1.2. SUMMARY OF MANAGEMENT CONTROL FINDINGS	5
ANNEXES	6
ANNEX 1: THE ORGANISATION	7
ANNEX 2: MANAGEMENT CONTROL FINDINGS	8
ANNEX 3: MICRO ASSESSMENT QUESTIONNAIRE	9

1. MICRO-ASSESSMENT FINDINGS

1.1. RISK ASSESSMENT RESULTS

Tested subject area	Risk assessment*	Comments
1. Implementing Partner	Low	The IP is a government organisation in Malaysia that is responsible for protecting the environment. The organisation is under the purview of the Ministry of Natural Resources and Environment of Malaysia.
2. Programme Management	Low	The organisation prepares work programmes based on the project document signed by UNDP and the government of Malaysia. Work programmes include targets and baselines against which progress on the objectives is assessed. Regular meetings, site visits and check lists are used to monitor and evaluate the progress of the project.
3. Organizational Structure and Staffing	Low	The organisational structure and number of people in the accounting department are adequate for the current volume and complexity of operations. Officers and employees of the finance department are adequately trained to ensure they are equipped with the necessary skills to carry-out their function.
4. Accounting Policies and Procedures	Low	The organisation uses a computerised accounting system to ensure control in preparation and approval of transactions and cost allocation to various funding sources. Finance department has various units to ensure segregation of duties and financial control over transactions. Budgets provide a reasonable measure of financial control. The internal audit function is carried-out by the Ministry of Natural Resources and Environment.
5. Reporting and Monitoring	Low	Annual reports are prepared by the organisation and are subject to audit by the Auditor General of Malaysia.
6. Information Systems	Low	The IP uses the accounting system ESPKB (Electronic payment and control system) which generates all required reports automatically. All finance staff are trained on how to use this system.
7. Procurement	Low	Procurement policies and procedures of the organisation are in compliance with the rules and regulations of the government. Approval thresholds are set out in the circular issued by the Treasury Department. Approval of authorised personnel is required before purchase transactions can be carried out.

Micro Assessment – Department of Environment, Malaysia

Overall risk assessment	Low	
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* High, Significant, Moderate, Low

Micro Assessment – Department of Environment, Malaysia

1.2. SUMMARY OF MANAGEMENT CONTROL FINDINGS

There were no management control findings.



Mark Henderson
Partner
Moore Stephens LLP

5 July 2016

Micro Assessment – Department of Environment, Malaysia

ANNEXES

Micro Assessment – Department of Environment, Malaysia

ANNEX 1: THE ORGANISATION

Mission

The IP is a government agency of Malaysia responsible for ensuring sustainable development of the country by protecting the environment. The organisation is under the purview of the Ministry of Natural Resources and Environment.

Key financial information

The most recent financial information for the organisation shows the following:

	Year ended 31 December 2014 (MYR)
Incoming resources	1,448,130.76
Resources expended	3,676,838.20
Net surplus (deficit)	(2,228,707.44)

Micro Assessment – Department of Environment, Malaysia

ANNEX 2: MANAGEMENT CONTROL FINDINGS

There were no management control findings.

ANNEX 3: MICRO ASSESSMENT QUESTIONNAIRE

Instructions: This questionnaire contains various questions related to nine subject areas, summarized further below. Please answer each question by indicating your response as 'Yes', 'No' or 'N/A' (for 'not applicable'). Also, use the 'Comments' section next to each question to provide details of your assessment or to highlight any important matters. This document will be referenced subsequently by the agency when performing additional assurance activities related to the IP. Sufficient details should be provided in this document for the agency to understand the details of each response.

Assign a risk rating (high, significant, moderate or low) for each question based on the response obtained. (For example, if the question addresses an item that should ideally be marked 'Yes' but was marked 'No', it should be assessed for the level of risk it presents to the IP's financial management system). Assigning risk ratings to each question requires judgment by the assessor as to how the response will affect the IP's financial management system. The risk ratings to be used are:

- **High** – Response to question/subject matter provides a risk to the overall financial management system that has both a high likelihood of occurring and a potentially negative impact on the IP's ability to execute the programme in accordance with the work plan and stated objectives. Additionally, this risk has not been mitigated by any other controls/process that have been implemented by the IP;
- **Significant** – Response to question/subject matter provides a risk to the overall financial management system that has either a significant likelihood of occurring or a potentially negative impact on the IP's ability to execute the programme in accordance with the work plan and stated objectives;
- **Moderate** – Response to question/subject matter provides a risk to the overall financial management system that has a moderate likelihood of occurring and a potentially negative impact on the IP's ability to execute the programme in accordance with the work plan and stated objectives; or
- **Low** – Response to question/subject matter provides a risk to the overall financial management system that has a low likelihood of occurring and a potentially negative impact on the IP's ability to execute the programme in accordance with the work plan and stated objectives.

To determine the overall risk assessment for a subject matter section (e.g., Section 1. Implementing Partner), points are assigned that correlate with the level of risk. The points assigned to each question should be totaled and averaged based on the number of questions in the subject matter section. Questions that are not applicable to the IP (marked as 'N/A') should not be assigned a risk rating and should be removed from the total number of questions for the calculation. Points should be assigned as follows:

- H – High risk: 4 points
- S – Significant risk: 3 points
- M – Moderate risk: 2 points
- L – Low risk: 1 point

Micro Assessment – Department of Environment, Malaysia

The average number of points calculated should then be compared to the points rating above and assigned a corresponding risk (i.e., an average of 2.0 would indicate a moderate risk rating for the subject matter section). Numbers should be rounded as follows:

- 0.1 to 0.49: Round down to the closest whole number (i.e., an average of 3.3 would be rounded down to 3.0, indicating a 'significant' risk rating);
- 0.5 to 0.99: Round up to the closest whole number (i.e., an average of 1.99 would be rounded up to a 2.0, indicating a 'moderate' risk rating).

The same process should be followed for determining the overall risk assessment for the IP once the checklist has been completed

Micro Assessment – Department of Environment, Malaysia

Summary of Risks Related to the Financial Management Capacity of the Implementing Partner

Tested subject area (see subsequent pages for details of each subject area summarized below)

	Total number of risk points	Total number of applicable questions	Overall risk assessment	Comments
1. Implementing Partner	5	5	1	The IP is a government organisation in Malaysia that is responsible for protecting the environment. The organisation is under the purview of the Ministry of Natural Resources and Environment of Malaysia.
2. Programme Management	7	7	1	The organisation prepares work programmes based on the project document signed by UNDP and the government of Malaysia. Work programmes include targets and baselines against which progress on the objectives is assessed. Regular meetings, site visits and check lists are used to monitor and evaluate the progress of the project.
3. Organizational Structure and Staffing	6	6	1	The organisational structure and number of people in the accounting department are adequate for the current volume and complexity of operations. Officers and employees of the finance department are adequately trained to ensure they are equipped with the necessary skills to carry-out their function.

Micro Assessment – Department of Environment, Malaysia

Summary of Risks Related to the Financial Management Capacity of the Implementing Partner

Tested subject area (see subsequent pages for details of each subject area summarized below)

	Total number of risk points	Total number of applicable questions	Overall risk assessment	Comments
4. Accounting Policies and Procedures	37	35	1	The organisation uses a computerised accounting system to ensure control in preparation and approval of transactions and cost allocation to various funding sources. Finance department has various units to ensure segregation of duties and financial control over transactions. Budgets provide a reasonable measure of financial control. The internal audit function is carried-out by the Ministry of Natural Resources and Environment.
5. Reporting and Monitoring	5	5	1	Annual reports are prepared by the organisation and are subject to audit by the Auditor General of Malaysia.
6. Information Systems	5	4	1	The IP uses the accounting system ESPKB (Electronic payment and control system) which generates all required reports automatically. All finance staff are trained on how to use this system.
7. Procurement	10	10	1	Procurement policies and procedures of the organisation are in compliance with the rules and regulations of the government. Approval thresholds are set out in the circular issued by the Treasury Department. Approval of authorised personnel is required before purchase transactions can be carried out.
Total:	75	72	1	

Micro Assessment – Department of Environment, Malaysia

Micro Assessment Questionnaire

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
1. Implementing Partner						
1.1 Is the IP legally registered? If so, is it in compliance with registration requirements? Please note the legal status and date of registration of the entity.			✓	IP is registered in the country where the programme operates and is current with registration/reporting requirements.	-	The organisation is a government agency and thus, not required to be legally registered. The organisation is responsible for ensuring sustainable development of the country by protecting the environment. The organisation is under the purview of the Ministry of Natural Resources and Environment.
1.2 Has the IP received United Nations resources in the past? If so, provide details of amounts, from which agency, for what purpose and whether there were any issues.	✓			IP has received United Nations resources in the past and no issues were encountered with utilizing these funds.	1	The organisation had received funding from UNIDO in 1999 for phase-out of Chlorofluorocarbon (CFC) in Malaysia.
1.3 Does the IP have statutory reporting requirements? If so, are they in compliance with such requirements?	✓			The IP is compliant with applicable statutory requirements.	1	The organisation is required to prepare monthly and annual reports. The annual reports will be audited by the Auditor General. The latest audited annual report is for the calendar year ended December 31, 2014.
1.4 Is the governing body of the IP independent from management?		✓		The governing body of the IP is independent from management.	-	As a government agency, the IP does not have separate governing body. The IP's operations are monitored by the Director General through monthly and quarterly reporting. In addition, the organisation is reporting to the Ministry of Natural Resources and Environment.
1.5 Does the governing body meet on a regular basis and perform oversight functions?		✓			-	As a government agency, the IP does not have separate governing body. The IP's operations are monitored by the Director General through monthly and quarterly reporting. In addition, the organisation is reporting to the Ministry of Natural Resources and Environment.
1.6 Does the IP show basic financial stability in-country (core resources; funding trend) Provide the amount of total assets, total liabilities, income and expenditure for the current and prior fiscal year.		✓		The IP appears to have been solvent (i.e. total assets greater than total liabilities) for the past three fiscal years.	-	The IP is a government agency and thus, the organisation's operations are supported by the national government. Going concern is not therefore considered a risk.
1.7 Can the IP easily receive funds? Have there been any major problems in the past in the receipt of funds, particularly where the funds flow from government ministries?	✓				1	Yes, the IP can easily receive funds from donors. Funds received will be handled based on the policies and procedures of the national government of Malaysia. We were informed by the programme manager that no major issues have been encountered in the past relating to receipts of funds. In addition, as a government agency, the IP has no problem in receiving funds from the government.
1.8 Does the IP have any pending legal actions against it? If so, provide details and actions taken by the IP to resolve the legal action.		✓		The IP does not have any pending legal actions against it.	1	As per discussion with the programme manager, the IP does not have any pending legal action against it.
1.9 Does the IP have any key financial or operational risks that are not covered by this questionnaire? If so, please describe. Examples: foreign exchange risk; cash receipts.		✓			1	None, there are no other financial and operational risk that are not covered by this questionnaire.
Total number of questions in subject area:	9					
Number of questions marked 'N/A' in subject area:	4					
Total number of applicable questions in subject area:	5					
Total number of risk points:					5	
Implementing partner overall risk assessment:					1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
2. Programme Management						
2.1. Does the IP have and use sufficiently detailed written policies, procedures and other tools (e.g. project development checklist, work planning templates, work planning schedule) to develop programmes and plans?	✓				1	Yes, the IP uses the project document signed by the government of Malaysia and UNDP in preparation of work programmes and plans for activities. The Project document is the result of workshops and consultation by the government and UNDP with the potential recipients in order to address certain issues and potential risk like global warming and ozone layer depletion. The prepared workplans and activities will be reviewed and approved by the Project Steering Committee before they can be executed.
2.2. Do work plans specify expected results and the activities to be carried out to achieve results, with a time frame and budget for the activities?	✓				1	The project document lists areas of concern and the objectives that need to be achieved to address such concern. In preparing the workplan, the Programme director ensures that the activities being proposed will achieve the stated objectives in the Project documents. In addition, the timeframe for each activities is included for monitoring of activities.
2.3. Does the IP identify the potential risks for programme delivery and mechanisms to mitigate them?	✓				1	In the preparation of the project documents, the potential risks and barriers in the implementation of the project had been considered. Further, proposal had been made to mitigate those risks and barriers. These are all documented in the project documents. Additional risks and barriers being encountered during the implementation of the project not considered during the preparation of the project document are reported in the quarterly progress report.
2.4. Does the IP have and use sufficiently detailed policies, procedures, guidelines and other tools (checklists, templates), for monitoring and evaluation?	✓				1	The organisation has policies and procedures in place for monitoring and evaluation of the progress of the project. Moreover, a checklist template is used to ensure consistent evaluation of the project implementation.
2.5. Does the IP have M&E frameworks for its programmes, with indicators, baselines, and targets to monitor achievement of programme results? <input type="checkbox"/>	✓				1	In preparation of the work plan and activities, the organisation ensures that the activities are in line with the objectives of the project document. Baselines and targets are clearly indicated in the work plan to facilitate monitoring of the project objectives' achievement.
2.6. Does the IP carry out and document monitoring activities such as regular review meetings, spot checks, on-site project visits, etc.	✓				1	Site visits and quarterly meeting are carried-out and properly documented to ensure that the preparation of reports are timely made.
2.7. Does the IP systematically collect, monitor and evaluate data on the achievement of project results?	✓				1	After the each site visit, the project team prepares a report based on the template provided. In addition, quarterly meetings are properly recorded in the minutes of the meeting. Progress reports are made by collating the inputs from the site visits and minutes of meetings. The progress reports will be submitted to the UNDP for review and approval.
2.8. Is it evident that the IP followed up on independent evaluation recommendations? <input type="checkbox"/>			✓		-	Not applicable. The project has not been subject to independent evaluation before.
Total number of questions in subject area:	8					
Number of questions marked 'N/A' in subject area:	1					
Total number of applicable questions in subject area:	7					
Total number of risk points:					7	
Funds flow overall risk assessment:					1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded, as detailed on page 1 of this checklist and assigned an overall risk rating.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
3. Organizational Structure and Staffing						
3.1 Are the IP's recruitment, employment and personnel practices clearly defined and followed, and do they embrace transparency and competition?	✓				1	The recruitment of new officers and employees of the organisation is handled by the Public Service Department of Malaysia. In addition, the organisation follows the policies and procedures of national government which include key performance indicators to evaluate staff. These policies and procedures are transparent and embody fair competition among staff.
3.2 Does the IP have clearly defined job descriptions?	✓				1	The IP has specific job descriptions for officers and employees.
3.3 Is the organisational structure of the finance and programme management departments, and competency of staff, appropriate for the complexity of the IP and the scale of activities? Identify the key staff, including job titles, responsibilities, educational backgrounds and professional experience.	✓				1	Yes, we believe that the finance department has an adequate organisation structure to ensure that transactions are properly recorded and monitored. In addition, the competency and experience of finance staff are adequate to address the complexity of the transactions of the organisation. Head of Administration and Finance Azman Bin Mamat Job title: Accountant Responsibilities: Responsible for day to day finance and accounts operations Educational background: Bachelor in Accounting
3.4 Is the IP's accounting/finance function staffed adequately to ensure sufficient controls are in place to manage agency funds?	✓				1	The IP's accounting/finance function is staffed adequately to ensure sufficient controls are in place to manage agency funds.
3.5 Are accounting/finance staff familiar with United Nations procedures related to cash transfers (specifically the HACT framework)?	✓				1	The accounting/finance staff are familiar with United Nations procedures related to cash transfers (specifically the HACT framework).
3.6 Does the IP have training policies for accounting/finance/ programme management staff? Are necessary training activities undertaken?	✓				1	The IP has training policies for accounting/finance staff, which are undertaken as planned.
3.7 Does the IP perform background verification/checks on all new accounting/finance and management positions?		✓			-	The IP performs background verification/checks on all new accounting/finance and management positions.
Total number of questions in subject area:	7					
Number of questions marked 'N/A' in subject area:	1					
Total number of applicable questions in subject area:	6					
Total number of risk points:					6	
Organizational structure and staffing overall risk assessment:					1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
4. Accounting Policies and Procedures						
4a. General						
4.1 Does the IP have an accounting system that allows for proper recording of financial transactions from United Nations agencies, including allocation of expenditures in accordance with the respective components, disbursement categories and sources of funds?	✓			The IP has an accounting system that allows for proper recording of financial transactions from United Nations agencies, including allocation of expenditures in accordance with the respective components, disbursement categories and sources of funds.	1	Yes, the IP is a government agency and follows policies and procedures promulgated by the Ministry of Finance. The IP uses the computerized accounting system (locally known as "ESPKB") to record and monitor the transactions of the organisation. The system allows creation of trust fund accounts wherein transactions of UN funded projects may be recorded. In addition, reports for funds received, expenses and balance can be easily generated from the accounting system.
4.2 Are controls in place concerning preparation and approval of transactions, ensuring that all transactions are correctly made and adequately justified?	✓			Controls are in place concerning preparation and approval of transactions, ensuring that all transactions are correctly made and adequately explained.	1	Yes, all transactions follow an approval process of the government as promulgated by the Ministry of Finance. The IP's computerised system controls and monitors transactions. Thus, payments will not be processed unless reviewed and approved by authorised personnel. Before a transaction can be processed by the finance department, the user department should have completed all the necessary forms and compiled all the supporting documents. In addition, approval from the head of the department must be obtained. Then, the finance department will review the documentation and ensures that all required supporting documents have been submitted. After which, the finance department records the transaction in the computerized accounting system and forwards the documents to the Treasury department, a separate government agency, for payment.
4.3 Are controls in place for accurate cost allocations to the various funding sources in accordance with established agreements?	✓			Controls are in place for accurate cost allocations to the various funding sources in accordance with established agreements.	1	The IP uses a coding system to ensure that expenses are properly allocated/reported to appropriate funding sources. The transaction can not be processed unless the funding code has been reflected in the voucher.
4.4 Are the general ledger and subsidiary ledgers reconciled at least monthly? Are explanations provided for significant reconciling items?	✓			The general ledger and subsidiary ledgers are reconciled at least monthly, and explanations are provided for significant reconciling items.	1	Yes, the finance department performs monthly reconciliation of the general ledger and the subsidiary ledger. In addition, they are required to reconcile with the monthly reports of revenue, expenses and trust funds generated by the general accountant with the records of the organisation.
4.5 Are all accounting and supporting documents retained in an organised system that allows authorized users easy access?	✓			Accounting and supporting documents are retained permanently in a defined system that allows authorized users easy access.	1	Yes, the documents are organised based on the voucher reference number for easy retrieval. Vouchers and supporting documents are retained for 7 years before they are destroyed.
4b. Segregation of duties						
4.6 Are the following functional responsibilities performed by different units or individuals: (a) authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction?	✓			The following functional responsibilities are performed by different units/individuals: (a) authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction.	1	The IP's finance department has different units that are responsible for different functions of the accounting cycle. Authorisation of the transaction is the responsibility of the relevant department head, recording is handled by the accounting unit and the payment is made by the treasury department, a separate government agency.
4.7 Are the functions of ordering, receiving, accounting for and paying for goods and services appropriately segregated?	✓			The functions of ordering, receiving, accounting for and paying for goods and services are appropriately segregated.	1	Transactions cannot be processed in the computerised system unless approved by authorised personnel. Ordering and receiving is handled by the asset management unit, recording is the responsibility of the accounting unit and the payment centralised in the treasury department.
4.8 Are bank reconciliations prepared by individuals other than those who make or approve payments?	✓			Bank reconciliations are prepared by individuals other than those who make or approve payments.	-	No bank reconciliation is being prepared since the department does not maintain a bank account. All cash and cash payment transactions are handled by the Treasury Department.

4c. Budgeting system									
4.9	Are budgets prepared for all activities in sufficient detail to provide a meaningful tool for monitoring subsequent performance?	✓			IP budgets are prepared for all activities in sufficient detail to provide a meaningful tool for monitoring subsequent performance	1	The IP is a government agency which follows the requirement of the Ministry of finance for budget preparations. Budgets are prepared using the Ministry of Finance's pro-forma where budget lines clearly indicate the nature of expenses that be easily used for budget monitoring.		
4.10	Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations from the budget?	✓			Actual expenditures are compared to the budget with reasonable frequency, and explanations are required for significant variations from the budget.	1	The IP is required to provide quarterly reports which include budget analysis. The reports are submitted to department head for review and approval. Any discrepancy is required to be provided with reasonable explanations.		
4.11	Is prior approval sought for budget amendments in a timely way?	✓			Approvals are required prior to significant variations from the budget.	1	Prior approval is required from ministry of natural resources and environment and ministry of finance before any amendment can be made.		
4.12	Are IP budgets approved formally at an appropriate level?	✓			The IP has a designated individual(s) responsible for preparation and approval of budgets related to agency funding.	1	Budgets are prepared by the department are approved by the head before they are submitted to the Ministry of Natural Resources and Environment for review and approval. The budgets will then be submitted to the Ministry of Finance for review then, to the parliament for final approval.		
4d. Payments									
4.13	Do invoice processing procedures provide for: • Copies of purchase orders and receiving reports to be obtained directly from issuing departments? • Comparison of invoice quantities, prices and terms with those indicated on the purchase order and with records of goods/services actually received? • Checking the accuracy of calculations?	✓			Invoice processing procedures are sufficient, including: receiving copies of purchase orders and receiving reports directly from issuing departments; comparing invoice quantities, prices and terms with those indicated on the purchase order and with records of goods actually received; and checking the accuracy of calculations (if any).	1	The IP follows the government policies and procedures for invoice processing. In addition, the IP uses computerized system for payment processing which ensures that invoices have been reviewed and approved by the authorized personnel before payment is made. The policies and procedures cover the following areas: • All copies of purchase order, invoice, specification form, delivery receipt require signatories from the requesting unit. • The requestor will ensure that the quantities, prices and terms of goods/services received are matched with those indicated in the PO. • Upon the process of payment, the finance unit will ensure that the calculations on the invoice are correct.		
4.14	Are payments authorised at an appropriate level? Does the IP have a table of payment approval thresholds?	✓				1	Yes, all payment transactions of the IP are approved and paid by the treasury department. Nonetheless, before payments can be processed by the treasury department, transaction should have been approved by authorised personnel. The treasury department provided the organisation with table of approval. For transactions up to MYR 10,000, approval of the Chief clerk and deputy accountant will suffice. For transactions above MYR 20,000 but not more than 100,000, the Accountant and Deputy Accountant are the required signatory. For transactions above that, the approval of the Director General and Accountant is required.		
4.15	Are all invoices stamped 'PAID', approved, and marked with the project code and account code?	✓			Invoices are stamped 'PAID', dated, reviewed and approved, and clearly marked for account code assignment.	1	Yes, vouchers and all supporting documents are stamped "PAID" and approved upon payment.		
4.16	Do controls exist for preparation and approval of payroll expenditures? Are payroll changes properly authorized?	✓			Controls exist for the preparation and approval of payroll expenditures and changes are properly authorized.	1	Yes, payroll of the organisation are being monitored by the Human resources department. The organisation uses biometrics to monitor attendance of officers and employees. Changes in the payroll can only be made by the HR department head.		
4.17	Do controls exist to ensure that allocation of staff salary costs reflects the actual amount of staff time spent on a project?	✓				1	The IP can use timesheet to ensure that salary cost reflect actual time spent to the project. However, salary cost are currently in the budget of the government and as such, no salary are allocated to other projects.		
4.18	Do controls exist for expense categories that do not originate from invoice payments, such as DSAs, travel, and internal cost allocations?	✓			Controls exist for expense categories that do not originate from invoice payments, such as DSA, travel, consultancies.	1	The IP has policies and procedures for processing DSA and travel allowance. Travel reports and mission orders are required to be approved by the relevant department head before the transaction can be approved for processing by the finance department.		

4e. Policies and procedures					
4.19 Does the IP have a stated basis of accounting (i.e. cash or accrual) and does it allow for compliance with the agency's requirement?	✓		The IP has a single basis of accounting.	1	Yes, the IP follows the modified cash basis of accounting as required by the government. The same has been consistently applied in the past. The IP will be adopting accrual basis of accounting in 2017.
4.20 Does the IP have an adequate policies and procedures manual and is it distributed to relevant staff?	✓		The IP has an adequate policies and procedures manual to guide activities and ensure staff accountability.	1	Yes, the IP ensure that officers have access to policies and procedures manual either through the website of the organisation or through distribution of printed manuals.
4f. Cash and bank					
4.21 Does the IP require dual signatories for bank transactions? How many signatories are on the bank account and how many are required to execute transactions? How are names added/removed. Provide names.	✓		The IP has signatories on the bank accounts that will be used for United Nations resources and more than one signatory is required for each transaction.	-	All cash and cash payment transactions are handled by the Treasury Department.
4.22 Does the IP maintain an adequate, up-to-date cashbook, recording receipts and payments?	✓		The IP maintains an adequate, up-to-date cashbook, recording receipts and payments.	-	All cash and cash payment transactions are handled by the Treasury Department.
4.23 Are bank balances and cash ledger reconciled monthly and properly approved? Are explanations provided for significant and unusual reconciling items?	✓		Bank balances and cash ledgers are reconciled monthly and properly approved. Significant and unusual reconciling items are explained.	-	All cash and cash payment transactions are handled by the Treasury Department.
4.24 Is substantial expenditure paid in cash? If so, does the IP have adequate controls over cash payments?	✓			-	All cash and cash payment transactions are handled by the Treasury Department.
4.25 Does the IP carry out a regular petty cash reconciliation?	✓			-	All cash and cash payment transactions are handled by the Treasury Department.
4.26 Are cash and checks maintained in a secure location with restricted access? Are bank accounts protected with appropriate remote access controls?	✓		Cash and checks are maintained in a secure location and access has been properly designated and maintained.	-	All cash and cash payment transactions are handled by the Treasury Department.
4g. Safeguards over assets					
4.27 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?	✓		The IP has a system of adequate safeguards to protect assets from fraud, waste and abuse.	1	The organisation has policies and procedures for asset management that are incorporated on its Asset management system. The system is monitored by the asset management unit.
4.28 Are subsidiary records of fixed assets and inventory kept up to date and reconciled with control accounts?	✓		Subsidiary records of fixed assets and inventory are kept up to date and reconciled with control accounts.	1	Monthly and annual reconciliations are being carried out by the asset management unit.
4.29 Are there periodic physical counts of fixed assets?	✓		The IP performs periodic physical inventories of fixed assets and inventory.	1	The IP is required to carry out annual physical checks of fixed assets on a monthly and annual basis. The physical check is handled by the finance department and asset management unit.
4.30 Are fixed assets and inventory adequately covered by insurance policies?	✓		The IP's fixed assets and inventory are adequately covered by insurance policies.	1	Yes, assets of the organisation are insured by the national government.
4h. Warehousing and inventory management					
4.31 Do warehouse facilities have adequate physical security?	✓			1	The IP deploys security guard for fixed assets. The warehouse is rented by the organisation from third party. These assets are mainly composed of high value equipments to measure pollution in air and water.
4.32 Is inventory stored so that it is identifiable, protected from damage, and countable?	✓			1	The IP uses tags and labels to easily monitor assets. Supplies and inventories are stored in a storage room within the department. These inventories are organised on storage rack and can be easily counted.
4.33 Does the IP have an inventory management system?	✓			1	Inventories are monitored and controlled using computerised inventory management system.
4.34 Is responsibility for receiving and issuing inventory segregated from that for updating the inventory records?	✓			1	The IP has assigned different employees for receiving and issuing of inventory from the officer responsible for records maintenance. In addition, inventories are computerised and thus, records are automatically updated.
4.35 Are regular physical counts of inventory carried out?	✓			2	The accountant general carries out the annual physical check of inventory.

4i. Other offices or entities	4.36 Do any other offices/ external entities participate in implementation? If so, does the IP have policies and process to ensure appropriate oversight and monitoring of implementation?	✓			If the IP has other offices/entities participating in implementation, there are adequate policies and procedures to ensure appropriate oversight and monitoring of implementation. The IP also has experience with this process.	1	The organisation has 15 state officers all over Malaysia which participate in the implementation of the projects and programmes of the organisation. These state offices are required to report quarterly to the organisation to monitor and review activities of such state activities. These reports will be reviewed by the head of the departments.
	4.37 Does the IP maintain contractual agreements with other offices/external entities?	✓			The IP maintains current contractual agreements with other offices/entities.	-	Not applicable. These state offices are part of the organisation as such, no contractual agreements are maintained.
	4.38 Does the IP have a process to ensure expenditures of other offices/external entities are in compliance with the work plan and/or contractual agreement?	✓			The IP has a process to ensure expenditures of other offices/entities are in compliance with the work plan and/or contractual agreements.	1	Monthly expenditures are required to be submitted by the state offices to the HQ. The reports will be reviewed by the finance department to ensure that it is in line with the government budget.
4j. Internal audit	4.39 Is the internal auditor sufficiently independent to make critical assessments? To whom does the internal auditor report?	✓			The internal auditor is sufficiently independent to make critical assessments.	1	The department is subject to audit by the internal auditor from the ministry of natural resources and environment. The internal auditor reports directly to the head of organisation to maintain organisational independence.
	4.40 Does the IP have stated qualifications and experience requirements for internal audit department staff?	✓			The IP has stated qualifications and experience requirements for internal audit department staff.	-	The internal auditors are from the ministry of natural resources and environment, and as such, the organisation has no information on their requirements.
	4.41 Are the activities financed by the agencies included in the internal audit department's work programme?	✓			The activities financed by agency funds will be included in the internal audit department's work programme.	2	The activities financed by UNDP are audited by the auditor general of Malaysia. However, since the funding is not included in the budget of the government, the activities of the project are not audited by the internal auditor of the Ministry of Natural Resources and Environment.
	4.42 Does the IP act on the internal auditor's recommendations?	✓			The internal auditor has policies and procedures to take action on findings identified, if any.	1	Yes, the organisation is required to act within one month after the receipt of such recommendation.
4k. Anti-fraud and corruption	4.43 Does the IP have an anti-fraud and corruption policy?	✓			The IP has advised employees, beneficiaries and other recipients to whom they should report if they suspect fraud, waste or misuse of agency resources or property.	1	Yes, the IP follows the anti-fraud and corruption policy of the government of Malaysia. The IP is required to establish an integrity unit within the department to receive complains of suspected fraud and corruption.
	4.44 Has the IP advised employees, beneficiaries and other recipients to whom they should report if they suspect fraud, waste or misuse of agency resources or property? If so, does the IP have a policy against retaliation relating to such reporting.	✓			The IP has advised employees, beneficiaries and other recipients to whom they should report if they suspect fraud, waste or misuse of agency resources or property.	1	Officers and employees are informed to submit complains of suspected fraud to the integrity unit of the organisation or Head of the department, depending on the level of the officers involved. Investigations are carried out by the integrity unit recommendations will be submitted to the head of the department for review and approval.
	Total number of questions in subject area:	44					
	Number of questions marked 'N/A' in subject area:	9					
	Total number of applicable questions in subject area:	35					
	Total number of risk points:					37	
	Accounting policies and procedures overall risk assessment:					1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
5. Reporting and Monitoring						
5.1 Does the IP have established project reporting procedures that specify what reports are to be prepared, the frequency of preparation, what they are to contain and how they are to be used?	✓			The IP has established financial management reporting responsibilities that specify what reports are to be prepared, what they are to contain and how they are to be used.	1	Yes, as the IP is a unit inside Ministry of Natural Resources and Environment of Malaysia they are bound to follow the monitoring and reporting regulations of the government of Malaysia. These reporting requirements include monthly and quarterly reporting and meetings with the head of the department for progress reporting of the operations.
5.2 Does the IP prepare overall financial statements?	✓				1	Yes, as the IP is a unit inside Ministry of Natural Resources and Environment of Malaysia they are required to prepare annual reports.
5.3 Are the IP's overall financial statements audited regularly by an independent auditor in accordance with appropriate national or international auditing standards? If so, please describe the auditor.	✓			The IP's specific financial statements are audited regularly by an independent auditor.	1	Yes, the annual report of the IP is audited annually by the General Auditor Department of Malaysia based on the Malaysian auditing standards.
5.4 Were there any major issues related to ineligible expenditure involving donor funds reported in the audit reports of the IP over the past three years?		✓		No major accountability issues were brought out in audit reports of the IP over the past three years.	1	There are no major financial issues related to ineligible expenditure involving donor funds noted from the past audit reports.
5.5 Have any significant recommendations made by auditors in the prior three audit reports and/or management letters not yet been implemented?		✓		All recommendations made by the auditor in the prior three audit reports and/or management letters have been implemented.	1	No, from the latest audit report, we found that the IP has implemented the recommendations from the General Auditor and it has been certified by the General Auditor.
Total number of questions in subject area:	5					
Number of questions marked 'N/A' in subject area:	0					
Total number of applicable questions in subject area:	5					
Total number of risk points:					5	
Reporting and monitoring overall risk assessment:					1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
6. Information Systems						
6.1 Is the financial management system computerized?	✓			The financial management system is computerized and properly maintained.	1	As a government agency the IP, is using ESPKB system as mandated by the Ministry of Finance.
6.2 Can the computerized financial management system produce the necessary financial reports?	✓			The computerized financial management system can produce the necessary financial reports.	1	All projects are uniquely referenced which allows to produce a specific report.
6.3 Are IP staff adequately trained to maintain the computerized financial management system?	✓			IP staff are adequately trained to maintain the computerized financial management system.	1	Yes. The IP staff has been trained to be able to utilise the ESPKB system adapted by the organisation.
6.4 Does the IP have appropriate safeguards to ensure the confidentiality, integrity and availability of the financial data? E.g. password access controls; regular data back-up.	✓			The IP has appropriate safeguards to ensure the confidentiality, integrity and availability of the data.	2	The financial database is directly controlled by the Ministry of Finance of Malaysia, thus the Directorate of Environment and Natural Resources' accountant is not aware of frequency of the data back-up. Also, we noted that only accountant has access to the system and it is password-protected.
Total number of questions in subject area:	4					
Number of questions marked 'N/A' in subject area:	0					
Total number of applicable questions in subject area:	4					
Total number of risk points:					5	
Information systems overall risk assessment:					1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.

Subject area	Yes	No	N/A	Low risk consideration	Risk points	Remarks/comments
7. Procurement						
7.1 Does the IP have written procurement policies and procedures?	✓			The IP has written procurement policies and procedures.	1	Yes, the IP has written policies and procedures on their procurement activities regulated by the Ministry of Finance. The organisation follows 1PP circular for procurement, accounting and financial activities (treasury order).
7.2 Are exceptions to procedures approved by management and documented?	✓				1	Any exceptions to the policies and procedures require approval from the Ministry of Finance.
7.3 Does the IP identify the requested authorizations for each value level of purchases? At what value does the IP require written authorization of senior management for a purchase (value in US dollars)?	✓			The IP has defined authorization guidance and policies and procedures to ensure they are properly applied.	1	Yes, the IP has written delegations of authorities in place in terms of approving the purchases. Chief Clerk <10,000 Account Assistant <20,000 Senior Account Assistant <100,000 Accountant & Senior Assistant Director <1,000,000 Deputy Director <5,000,000 Director >5,000,000
7.4 Do the procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria?	✓			The procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria.	1	Yes, the organisation has procedures and specific contract templates that integrate references to ethical procurement principles and exclusion and ineligibility criteria. An independent integrity unit is established within the organisation to receive and investigate any complaints of fraud or breach of ethical principles.
7.5 Does the IP obtain sufficient approvals before signing a contract?	✓			The IP obtains sufficient approvals before signing a contract executing a purchase or a payment.	1	Yes, it is required for a contract to be approved by the responsible personnel (mentioned in the contract art. 1949) based on the analysis done by the financial, technical and endorsement committees.
7.6 Does the IP have formal guidelines and procedures in place to assist in identifying, monitoring and dealing with potential conflicts of interest with potential suppliers/procurement agents? If so, how does the IP proceed in cases of conflict of interest?	✓			The IP has formal guidelines and procedures in place to assist in identifying, monitoring and dealing with potential conflict of interests with potential suppliers/procurement agents.	1	Yes. Before and after the procurement process takes place, all the procurement committee members are required to sign a declaration of independence. Any officer or member of the committee who has or is perceived to have conflict of interest is not allowed to participate in the bidding process.
7.7 Does the IP have a well-defined process for sourcing suppliers? Do formal procurement methods include wide broadcasting of procurement opportunities?	✓			The IP has a well-defined process for sourcing/pre-qualifying suppliers.	1	The vendors will have to be registered in the procurement. Yes, the opportunities will be advertised through websites and notice boards and if it is a tender it is advertised nationally through newspapers.
7.8 Does the IP keep track of past performance of suppliers? E.g. database of trusted suppliers.	✓				1	Yes, they have the database of the suppliers and the IP maintain performance reports of the suppliers/vendors.
7.9 Does the IP have a well-defined process in place to ensure a secure and transparent bid and evaluation process? If so, describe the process.	✓			The IP has a well-defined process in place to ensure a secure and transparent bid and evaluation process.	1	Yes. The procurement committees are divided into three committees (technical, financial and endorsement). The technical committee will examine bids in relation to the best specifications. The financial committee will examine bids in relation to the best price. The endorsement committee will be the one to finalise and authorise the procurement decision. Prior to the procurement process, the personnel involved signs a declaration of independence.
7.10 When a formal invitation to bid has been issued, does the IP award the contract on a pre-defined basis set out in the solicitation documentation taking into account technical responsiveness and price?	✓			The IP awards procurement contracts to qualified bidders whose bids substantially conform to requirements set forth in the solicitation documentation and offer the lowest cost.	1	Yes, only the bidder who meets the technical requirements and offers the lowest price will be chosen as the winning bidder.
Total number of questions in subject area:	10					
Number of questions marked 'N/A' in subject area:	0					
Total number of applicable questions in subject area:	10					
Total number of risk points:					10	
Procurement overall risk assessment:					1	Divide total number of risk points by total number of applicable questions in subject matter section. This amount should be rounded as detailed on page 1 of this checklist and assigned an overall risk rating.

ANNEX VI: PROJECT ANNUAL REPORT TEMPLATE

ANNUAL PROGRESS REPORT 2019



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ANNUAL PROGRESS REPORT 2019

PROJECT PROFILE

PROJECT TITLE:
AWARD ID:
PROJECT ID:
PROJECT PERIOD:

REVISED PERIOD (if any):

PROJECT BUDGET:

REVISED BUDGET (if any):

-

2018 BUDGET (AWP):

Revised 2018 budget amount:

IMPLEMENTING PARTNER:
NATIONAL PROJECT DIRECTOR:

NATIONAL STEERING COMMITTEE CHAIR:

NSC MEETING(S) HELD:

1.

minutes attached

GENDER MARKER RATING:

UNDP MALAYSIA CPAP OUTCOME:

Inclusive Growth & Development
 Sustainable & Resilient Development

PROJECT STATUS

Project scheduled for Year 1 implementation in 2019
 Project scheduled for Year 2 and above implementation in 2020
 Project scheduled for completion in 2019, but extended to 2020
 Project completed in 2019

PROJECT DESCRIPTION (500 characters max):

PROJECT IMPLEMENTATION OVERVIEW

EXPENDITURE:

YEAR	BUDGET	UTILIZATION	RATIO (%)
2016			
2017			
2018			
CUMULATIVE SINCE START OF PROJECT			

Project Outcome Snapshot

Component/Outcome & Total Outputs	Achieved (Output #)	On Track (Output #)	Off Track (Output #)	Not Achieved (Output #)
Outcome 1: Total outputs: 7				
Outcome 2: Total outputs: 5				
Outcome 3: Total outputs: 5				
Outcome 4: Project Management (#1)				

List the outputs under outcomes in page 2.

Scheduled evaluation & assurance activity

Activity	Yes/No	Year	Ratings/Results
HACT Assurance Activity: [spotcheck/audit]			
Decentralized Evaluation: [MTR/TE/Others:]			
Project Implementation Review			
Others:			



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Project Outcome Snapshot (expanded)

Outcome Description	2018	2019
Outcome 1:		
Output 1:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 2:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 3:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 4:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 5:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 6:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 7:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Outcome 2:		
Output 1:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 2:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 3:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 4:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 5:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved



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Outcome Description	2018	2019
Outcome 3:		
Output 1:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 2:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 3:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 4:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Output 5:	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved
Outcome 4: Project Management		
Output 1: Project Management	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved

ANNEX

Please list additional documentation included in this report (including NSC meeting minutes; PIR report summary; additional project reporting)

1. xxx
2. xxx



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SECTION 1: 2019 PROGRESS REPORT NARRATIVE

Describe the project's achievements of outputs in 2019 since the last reported update in the MYPR, with brief descriptions of progress of planned activity results outlined in the Annual Work Plan.

Describe the issues and challenges faced, and the project management response.

Outcome 1:	Progress Status
Output 1.1: <i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i>	<input type="checkbox"/> Achieved <input type="checkbox"/> On track <input type="checkbox"/> Off track Output Target:
Output 1.2: <i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i>	<input type="checkbox"/> Achieved <input type="checkbox"/> On track <input type="checkbox"/> Off track Output Target:
Output 1.3: <i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i>	<input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved Output Target:



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<p>Output 2.2:</p> <p><i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i></p>	<p><input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved</p> <p>Output Target:</p>
<p>Output 2.3:</p> <p><i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i></p>	<p><input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved</p> <p>Output Target:</p>
<p>Output 2.4:</p> <p><i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i></p>	<p><input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved</p> <p>Output Target:</p>
<p>Output 2.5:</p> <p><i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i></p>	<p><input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved</p> <p>Output Target:</p>
<p>Outcome 3:</p>	<p>Progress Status</p>
<p>Output 3.1:</p> <p><i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i></p>	<p><input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved</p> <p>Output Target:</p>



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<p>Output 3.2:</p> <p><i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i></p>	<p><input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved</p> <p>Output Target:</p>
<p>Output 3.3:</p> <p><i>Indicate activities/targets that were not implemented or amended, and mitigating/adaptive actions taken by project:</i></p>	<p><input type="checkbox"/> On Track <input type="checkbox"/> Off Track <input type="checkbox"/> Achieved <input type="checkbox"/> Not Achieved</p> <p>Output Target:</p>
<p>Component/Outcome 4:</p>	<p>Progress Status</p>
<p>Output 1: Project management</p>	<p><input type="checkbox"/> Achieved <input type="checkbox"/> On track <input type="checkbox"/> Off track</p> <p>Output Target:</p>



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SECTION 2: 2019 Project Progress/Contribution to National Development Agenda

- 2.1 Please elaborate project's contribution to the analysis/development/refinement of national or sectoral policies, strategies, and action plans, with consideration to the mid-term review of the 11th Malaysia Plan, and related revisions in administration and policy.

If there is no such contribution, please indicate that as well

- 2.2 Please indicate activities undertaken by the project to further increase awareness and understanding on key thematic issues addressed by the project.

(Please attach as annex a full list of consultation/training/workshop events. Please include the following details: Location & Date; Topic; Objective; No of Participants: (Total and gender breakdown); Affiliations (Name the Ministries involved and indicate the number of private sector, civil society organizations and academia who participated); Feedback from participants: (in percentage of the combined overall ratings and relevance; and notable comments)

If there is no such activity, please indicate that as well

- 2.3 **(Mandatory)** What has the project done in 2019 to build capacity to implement or sustain systemic changes? (Capacity Development & Institutional Arrangements)

If there is no such contribution, please indicate that as well

- 2.4 What has the project done in 2019 to generate/develop or improve/update datasets, statistics and models? Please indicate their utilization by Implementing Partner to strengthen national evidence-based policymaking.

If there is no such contribution, please indicate that as well



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- 2.5 **(Mandatory)** Please elaborate on project's efforts to mainstream gender equality through project activities, and please reflect on the effort in 2019 in comparison to previous years' reporting, especially if unchanged.

Please specify aspects of project activities and outputs that have contributed to gender equality. E.g: gender or sex disaggregated data have been produced; activities was gender inclusive; gender analysis of outputs have been generated; outputs have been utilized in state/national/agency policies in gender sensitive ways; and/or stakeholder capacity in collecting, retrieving, and analyzing data with a gender perspective have been supported.

- 2.6 What has the project done in 2019 to develop or demonstrate/pilot new and/or innovative approaches and solutions? Please indicate how they have contributed to inform decision- and policymaking, and if it has led to actual/planned upscaling or replication.

If there is no such contribution, please indicate that as well

- 2.7 Has the project Risk Analysis been reviewed and updated regularly? Please indicate status for 2019. (please consult with UNDP CO support)

- 2.8 Please indicate any additional comments on areas of improvement that should be taken into consideration by EPU and UNDP Malaysia in the implementation of future projects.

SECTION 3: JUSTIFICATION FOR EXTENSION (for projects scheduled for completion this year)

Please indicate reasons for the project extension:

Proposed duration of extension: [xx] months

Agreement by National Steering Committee:

Date of meeting: (minutes attached in Annex)



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FOR UNDP USE

UNDP Observations and Assessment

For UNDP Programme Management to comment on the reported contributions and activity progress by IP as Quality Assurance assessment

Section 1: Overall Implementation of Project Outputs as per Signed Annual Work Plan 2019

Outcome 1:

Outcome 2:

Outcome 3:

Section 2: Project Progress/Contribution towards National Development Agenda in 2019

Prepared by:

[Programme Manager]

ANNEX VII: FACE FORM TEMPLATE

D. Funding Authorization and Certificate of Expenditures (FACE) Form Template

Funding Authorization and Certificate of Expenditures

Country:
Programme Code & Title:
Project Code & Title:
Responsible Officer(s):
Implementing Partner:

UN Agency: XXXXXXXXXXXXX

Date: DD/MM/YYYY

Type of Request:
 Direct Cash Transfer (DCT)
 Reimbursement
 Direct Payment

Activity Description from AWP with Duration	Coding for UNDP, UNFPA and WFP		REPORTING				REQUESTS / AUTHORIZATIONS				
	Authorized Amount MM\$A.YYYY A	Actual Project Expenditure B	Expenditures accepted by Agency C	Balance B - A + C D	New Request Period & Amount MM\$E.YYYY E	Outstanding Authorized Amount F	G - D + F				
Total	0	0	0	0	0	0	0	0	0	0	0

CERTIFICATION

The undersigned authorized officer of the above-mentioned implementing institution hereby certifies that:

- The funding request shown above represents estimated expenditures as per AWP and limited cost estimates attached.
- The actual expenditures for the period stated herein has been disbursed in accordance with the AWP and request with itemized cost estimates. The detailed accounting documents for these expenditures can be made available for examination, when required, for the period of five years from the date of the provision of funds.

Date Submitted: _____

Name: _____ Title: _____

NOTES: * Shaded areas to be completed by the UN Agency and non-shaded areas to be completed by the counterpart.

FOR ALL AGENCIES

Approved by: _____

Name: _____

Title: _____

Date: _____

FOR UNFPA USE ONLY

Account Changes
Cash Transfer Submissions
CCT's not on...
GL codes:
Training
Travel
Meetings & Conferences
Other Cash Transfers
Total

Validation Information
DCT Release
CCT's not on...
CCT Amount
Total
Balance

FOR UNFPA USE ONLY
New Finance Release
Activity 1
Activity 2
Total

ANNEX VIII: TERMINAL REPORT AND REQUEST FOR EXTENSION

TERMINAL REPORT Phase XII, 1/2018-12/2019

AND REQUEST FOR EXTENSION OF INSTITUTIONAL STRENGTHENING FUNDING Phase XIII, 1/2020 to 12/2021

Sections 1 to 12 and 15 to be completed by the country concerned prior to transmission to the implementing agency for comments in 14.

1. Country: **MALAYSIA**
2. National implementing agency / ozone unit: **Department of Environment, Ministry of Energy, Science, Technology, Environment and Climate Change, Government of Malaysia**
3. Implementing agency: **UNDP**
4. Institutional strengthening (IS) project phases (approved):

Phase	Duration (dd/mm/yy)	MLF Funding (Approved) (US\$)	MLF Funding (Disbursed) (US\$)
Phase I	January 1995– December 1997	322,520	306,817
Phase II	January 1998– December 1999	215,000	209,447
Phase III	January 2000– December 2001	215,000	215,000
Phase IV	January 2002– December 2003	215,000	215,000
Phase V	January 2004– December 2005	279,500	259,000
Phase VI	January 2006– December 2007	279,500	121,675
Phase VII	January 2008– December 2009	279,500	279,500
Phase VIII	January 2010– December 2011	279,500	279,500
Phase IX	January 2012– December 2013	279,500	279,500
Phase X	January 2014– December 2015	279,500	279,500
Phase XI	January 2016– December 2017	357,760	357,760
Phase XII	January 2018– December 2019	357,760	220,763*

* The disbursement as of 31 August 2019. The balance amount will be disbursed for planned activities by the end of December 2019.

5. a) Reporting period (mm/yy to mm/yy): **January 2018 to December 2019**
- b) Requested (phase funding (US \$), and period):
Phase XIII (US\$ 357,760) for January 2020 to December 2021

6. Data reporting:

Reporting requirement	Reported		Years reported	Years submitted
	yes	no		
Article 7	✓		2018	2019
Country programme implementation	✓		2018	2019

7. Describe the role and position of the National Ozone Unit (NOU) within the national administration, the way its work is supervised and its access to senior decision-makers (this may include cooperation with steering committees, advisory groups or inter-ministerial bodies).

The NOU is within the organization of the Department of Environment (DOE) under the Ministry of Energy, Science, Technology, Environment and Climate Change. The NOU has direct access to senior decision makers such as the Director General of Environment. A National Steering Committee on Ozone Protection, which comprises government-related agencies, representatives of industries and NGOs, was established since 1989, chaired by the Secretary General of the Ministry.

8. Indicate the total number staff in the NOU:

- How many are paid under the IS? 4 Full time Half time
- How many are paid by the Government? 7 Full time Half time

9. Is the unit fully staffed?

YES NO

If no, explain: Vacant Post of Assistant Environmental Control Officer yet to be filled due to Promotion

10. Please provide details on the status of the implementation of the activities approved from the previous IS phase and planned activities for the requested phase. Please add specific performance indicators.

Objectives (please add as necessary)	Activities in current phase	Achievements in current phase (specify XII/1/2018-12/2019)	Planned activities in next phase (specify XII/1/2020-12/2021)	Expected results for next phase
Objective 1: Adoption/implementation of ODS legislation and regulation to control and monitor ODS consumption				
Introduction of licensing and quota system for HCFCs	Processing applications online for the approval of import and export of HCFC as well as export of polyol with HCFC 141b	<p>2018 – 265 were approved out of 282 applications from 16 registered importers.</p> <p>2019 – (As of September) 185 approvals out of 191 applications from 16 registered importers.</p>	<p>- Continue processing application online for approval of import and export of HCFC</p> <p>Performance indicator: Quota for import set for the year</p>	Compliance with the regulations and achievement of targeted reduction of HCFC consumption.

		Ban the export of HCFC-141b contained in pre-blended polyols by 31 December 2018		Reduction of HCFC imports according to the obligated amount.
	Organize bi-annual meetings as scheduled	Bi-annual meetings to decide on quota given to qualified importers were held on 4 July 2018, 22 November 2018 and 26 June 2019.		
Enforcement of control measures to sustain ODS phase out	Enforcement visits to importers, MAC and RSS workshops Carry out technicians training as required by the law	2018: - 51 ATC throughout the country - Trained technicians: 2996 - Total competent technicians: 2515 2019 (January–September): - 51 ATC for technician trainings - Trained technicians of 2718 - Competent technicians 2198 - 2 Training of Master Trainers: 69 2018-19: - Total Master Trainers: 69	Continue monitoring activities	Ensured and monitored quality servicing by competent technicians.
Monitoring illegal ODS trade (all ODS)	Working closely with Customs Department, organize training for Customs officers	Training provided to 85 officers including Customs and DOE enforcement officers.	Continue to work closely with Customs Department to eliminate illegal importation.	Good collaboration with Customs Department to eliminate illegal imports
Ratification of amendments to the Montreal Protocol	Ratified amendments	Kigali amendment ratification is in progress 2019 11th Jan 2019 Focus Group review meeting with chemical importers and suppliers at the DOE 6th Mar 2019 Discussions with pharmaceutical regulatory agency, associations and industry on Kigali Amendment 3rd Apr 2019 Meeting and discussion with Pharmaceutical Association of Malaysia (PhAMA) on Kigali	Kigali amendment will be ratified Discussions, Dialogues, Meeting and Consultation with relevant stakeholders are being held throughout the year	Malaysia is in Group 1 of the Kigali Amendment. Baseline will start from 2020, 2021 and 2022 and freeze on 2024.

		Amendment 8th Apr 2019 Meeting and discussion with the Malaysian Organisation of Pharmaceutical Industries (MOPI) on Kigali Amendment 30th Apr 2019 Meeting and discussion with Daikin Malaysia on Kigali Amendment 7th May 2019 - Meeting and discussion with Unique Fire Industry Sdn Bhd on Kigali Amendment 27th June 2019 Consultation with Chemical importers Westech Chemicals Sdn Bhd on Kigali Amendment 11th June 2019 Meeting with 3M Malaysia		
Objective 2: Efficient and timely data collection and reporting				
Monitoring customs import/export	Verification visit, data auditing and training for enforcement officers	Verification visits to 10 registered importers in 2018 and to 12 registered importers in 2019 (Until Sep 2019)	Continue to carry out monitoring and enforcement activities	Compliance with the regulations and quota set for HCFC importation
Article 7 data reporting	<u>Data obtained from Customs Department and Statistics Department</u>	<u>2017 data submitted on 4 June 2018 and 2018 data submitted on 21 June 2019</u>	Timely preparation and submission for 2020 and 2021 Performance indicator: A7 data submitted on time	Compliance with data reporting
Country programme data reporting	<u>Data obtained from Customs Department and Statistics Department</u>	<u>2017 data submitted on 28 Mei 2018 and 2018 data submitted on 30 April 2019</u>	Timely preparation and submission for 2018 and 2019 Performance indicator: CP data submitted on time	Compliance with data reporting
Objective 3: Consultations and coordination with other national agencies/stakeholders				
Steering Committee	NSC Meetings will be held as scheduled	47 th NSC meeting held on 22 Mei 2018 48 th NSC meeting held on 20	NSC meetings and PSC meetings will be held as scheduled	Better cooperation from all agencies

	<p>Technical Committee will meet to discuss quota allocation for 2018 and 2019</p> <p>HPMP PSC meetings will be held as scheduled.</p> <p>Consultation with Royal Customs of Malaysia</p>	<p>Feb 2019</p> <p>22 November 2018 – Quota Technical Committee Meeting finalized 2018 quota allocation</p> <p>26 June 2019 - Quota Technical Committee Meeting to update the progress of 2019 allocation</p> <p>PSC Meeting was held on 20 December 2018</p> <p>PSC Meeting was held on 15 July 2019</p> <p>Meetings held from time to time especially on implementation of import/export of ODS</p>	<p>Technical Committee will meet to discuss quota allocations for 2020 and 2021</p> <p>HPMP PSC meetings were held as scheduled.</p> <p>Continue consultation with Royal Customs of Malaysia</p>	<p>to implement policies and strategies for HPMP</p> <p>Quota allocation to meet the reduction target for 2016 onwards</p> <p>Continuous monitoring of progress on HPMP implementation</p> <p>Continuous monitoring and enforcement</p>
Industry associations	<p>Consultation meeting with industries held for Montreal Protocol related activities</p> <p>Establishment of Flammable Refrigerant Standard</p>	<p>6 Disember 2018 – Seminar on Kigali Amendmend with the industries and industry association (FMM).</p> <p>29 November 2018 - Seminar On Recovery And Reclamation Of Fluorocarbons For Protection Of Ozone Layer And Mitigation Of Global Warming</p> <p>17 – 20 October 2018 – Participate in Greentech & Eco Products Exhibition & Conference Malaysia (IGEM 2018)</p> <p>Committee members involved actively in the establishment of the Standards with SIRIM and other related stakeholders.</p> <p>Held 6 series of Seminar on Halon Management and MS:2678:2017 Flammable Refrigerant System - Code Of</p>	<p>Continue consultation meetings with industries on proposed regulatory actions about the Montreal Protocol</p> <p>Organize briefings on the progress of ongoing HPMP projects</p>	<p>Better cooperation and participation from industries and stakeholders to phase out ODS and the related amendment.</p>

		Practice on 4,11,12,17,19 April 2018 and 10 Mei 2018		
Objective 4: Supervision of timely implementation of phase-out activities and reduction in ODS consumption				
HCFC phase-out management plan preparation/implementation	Monitoring of ongoing HPMP projects in the servicing sector - Enforcement of the amended Refrigeration Management regulations.	HPMP Stage I project successfully completed in 2018. Target successfully met. HPMP Stage II project initiated and the phase out projects is ongoing.	Continue monitoring of ongoing HPMP projects The Amendment is yet to be gazetted. DOE state offices continue to enforce and monitor the present EQA (Refrigerant Management) regulation.	Successful Implementation of HPMP II
Objective 5: Awareness raising and information exchange				
Information dissemination to key stakeholders	Organize seminar/workshop, including roadshows on HPMP Stage-II, on alternative technologies for HCFC phase-out. Organize awareness activities	2018 Held 6 series of Seminar on Refresher Course For Technicians In Mobile Air Conditioner Sector (Mac) And Reclamation In Refrigerant Management on: 14, 21, 28 January 2018, 4 & 25 February 2018 and 5 March 2018 23 -26 April 2018 - Refresher Course For Master Trainers For Technicians In Refrigeration And Air Conditioning Servicing Sector 25 September 2018 - Workshop On Recycle And Reclaim Of Refrigerants And The Emerging Alternatives In The Market (Refrigeration And Air Conditioning Sector) 25 September 2018 - Workshop On Safety And Alternatives On	Continue activities related to awareness generation	Enhanced awareness on ODS phase-out and ozone layer protection, especially in terms of the implementation of HPMP Stage-II and its linkage to climate change.

		<p>Blowing Agent For Malaysian Industries In Foam Sector</p> <p>10 - 14 December 2018 –</p> <p>Meeting & Workshop On Modul Tool Kit And Revision Of Exam Questions On CSTP</p> <p>2019</p> <p>9 – 11 April 2019 - Training for Master Trainer (MARA)</p> <p>15 – 18 April 2019 – Hands on Training on Flammable Refrigerants by Centre of Excellence (UNIKL-MFI)</p> <p>29 August 2019 - Consultation and Meeting to Kick Start with Second Group of Foam Recipients</p> <p>23 – 27 September 2019 – Course for New Master Trainer under CSTP Program</p> <p>24 September 2019 – Seminar Cooling Technology In Refrigeration & Air Conditioning Sector (Food & Beverages Industry)</p> <p>23 – 25 September 2019 – Hands on Training on Flammable Refrigerants by Centre of Excellence (UNIKL-MFI)</p> <p>2018</p> <p>Awareness bunting :</p> <ul style="list-style-type: none"> - HPMP Stage II - Recycle & Reclaim - R & R Brochures (3000) - CSTP Brochures (3000) <p>Paper bag (1000 bag) Notebook (1000 book) Thermos (1000)</p>		
	<p>Development of publications and knowledge products</p>			

		<p>Poster (1000) Pens (1000) Foldable & Recycle Bag (1000) Ozone Buletin (3000) Thumb drive (500 unit)</p> <p>Distributed during seminars, Technician trainings and State offices</p> <p>2019</p> <p>Slip Slap Slop Book (3000) Thumb drive (300) Recycle Bags (3000) Towels (1000) Bottles with No Single use Plastic theme (3000) Note Book (1000 unit) Posters (1000) Ozone Buletin (3000)</p>		
International Ozone Day	<p>Ozone Day Message in major newspapers</p> <p>Seminar/ awareness activities</p>	<p>2018</p> <p>- World Ozone Day launched by Secretary General of Energy, Science, Technology & the Environment (MESTECC) on 25 September 2018 at Saujana Hotel, Subang.</p> <p>- World Ozone Day Celebration 2018 message posted on major newspapers, DOE websites and Social Media (FB & IG)</p> <p>Interview with Director of Air Division at National Radio to inform on the Ozone Day Celebration on 16 September</p> <p>Organise Short Video Competition on Ozone Layer Protection for Public Participation in Conjunction with the Celebration</p> <p>Organise Colouring Contest for School Children on Ozone Layer Protection in Conjunction with the Celebration</p>	<p>World Ozone Day Message in DOE website and social media (FB & IG)</p> <p>Seminar /awareness activities</p>	<p>Enhanced awareness on ODS phase-out and HFC phase down and its linkage to climate change, and country's obligation to the Montreal Protocol</p>

		<p>Exhibition by Government Agencies, Industries & Association on the phasing out of ODS & the use of alternatives to ODS in HVAC</p> <p>2019:</p> <p>World Ozone Day launched by Director General of Environment on 24 September 2019 at Tenera Hotel, Bangi.</p> <p>- World Ozone Day Celebration 2018 message posted on DOE websites and Social Media (FB & IG)</p> <p>Exhibition by Government Agencies, Industries & Association on the phasing out of ODS & the use of alternatives to ODS</p> <p>World Ozone Day Celebration was celebrated by the State Office:</p> <p>KL - 12 Sept Terengganu - 14 & 21 Sept Negeri Sembilan - 13 Sept Pahang - 28 Sept Malacca - 7 & 24 Sept Sabah – 19 Sept Sarawak - 19 Sept Perlis – 14 Sept Johor - 20 Oct Perak - 2 Oct Pulau Pinang - 29 Oct</p>		
Objective 6: Regional cooperation and participation to Montreal Protocol meetings				
Regional network participation	Participate in meetings/trainings to be held in 2018 and 2019	<p>2018:</p> <p>15 - 19 January 2018 - Inter Regional Network Meeting (Paris)</p> <p>8 -10 April 2018 - Joint Meeting of NOU & Back to back with ozone2Climate Industry Roadshow (China)</p> <p>Twinning Workshop on Energy Efficient Refrigeration & Air</p>	Continue participation in meetings/trainings to be held in 2020 and 2021	<p>Capacity building, knowledge enhancement especially for new ozone officers</p> <p>Sharing of experience among the NOU officers in the region and</p>

		<p>Conditioning (China)</p> <p>9 - 10 July -Workshop on Energy Efficiency While Phasing Down HFCs (Vienna)</p> <p>4 September -ATMOSphere Asia Conference 2018 (Singapore)</p> <p>8 - 10 October - Green Supply Workshop (Indonesia)</p> <p>2019:</p> <p>18 – 22 February - 2nd Inter Regional Thematic Network Meeting & EE Workshop (Paris)</p> <p>30 July – 3 August - SEAP Network Meeting (Philippines)</p> <p>11-15 February – 13th EAP ODES Workshop (Bangkok)</p>		<p>knowledge enhancement on alternative technologies</p>
<p>Open-ended Working Group /Meeting of the Parties</p>	<p>Participation in OEWG, MOP and other Montreal Protocol Meetings</p>	<p>2018</p> <p>Participated in the 40th Session of the Open-ended Working Group of the Parties (OEWG 40) in Vienna, Austria, from 9-14 July 2018.</p> <p>Participated in the 30th Meeting of the Parties (MOP 30) from 5-9 November 2018 in Quito, Ecuador</p> <p>2019 (upto Sep 2019):</p> <p>Participated in the 41st Meeting of the Open-ended Working Group (OEWG 41) of the Parties to the Montreal Protocol from 1-5 July in Bangkok</p>	<p>Participation in OEWG, MOP and other Montreal Protocol Meetings</p> <p>Performance indicator: Participation in network and Montreal Protocol meetings (target to participate each year)</p>	<p>Keep informed of the new development on HCFC and HFC alternatives, and Montreal Protocol-related decisions that may affect industrial development.</p>

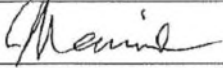
11. Financial report:

Item of expenditure	Budget for current phase (US\$)	Disbursement (for current phase) (US\$) (as of 30 Sep 2019)		Estimated budget (for requested phase) (US\$)	Government funding (in kind contribution) (US\$)	
		Actual	Obligated		Current phase	Requested phase
Staff (including consultants)	70,000	24,999	45,001	70,000	156,000	156,000
Equipment	25,000	0	25,000	25,000	0	0
Operational cost (i.e. meetings, consultations, etc.)	180,000	166,961	13,039	180,000	10,000	10,000
Public awareness	60,000	22,669	37,331	60,000	0	0
Other	22,760	13,339	9,421	22,760	0	0
TOTAL	357,760	227,968	129,792	357,760	166,000	166,000

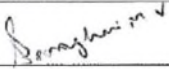
12. Please evaluate the IS in meeting the following indicators:

Indicator	Evaluation			Comments
	Very good	Satisfactory	Poor	
1. Effectiveness of import control measures	✓			Since 2013, the Online Licensing System has been implemented to facilitate approval for HCFC imports according to the quota given to the registered companies. The monitoring system of ODS imports and exports is an ongoing activity and is functioning well. For the years 2013 – 2018, Malaysia has achieved their compliance targets for consumption as per agreement with Executive Committee of the Montreal Protocol. It reflects that the Government has a comprehensive control mechanism through a permit system and close interface with customs for controlling and monitoring HCFCs.
2. Integration of ozone protection issues into national plans	✓			Ozone layer protection issue is incorporated into the national strategy and resulted in the amendment of the Customs Acts 1967 and the Environmental Quality Acts 1974 to control import and export of ODS and prohibit venting of refrigerants.
3. Completion of phase-out projects	✓			<p>In May 2018, the stage I of HPMP was successfully completed. The project is closed financially in May 2019 as required and also PCR is submitted as per due date.</p> <p>The successful implementation of HPMP included HCFC phase out in 13 PU Foam enterprises, capacity building of 4 system houses, setting up of 6 reclaim centres, replacement of 82 HCFC based residential ac units, demonstration of CO2 system in super market, distribution of tools/equipment to technicians, setting up of 51 ATC (Authorised training centres), training of 6000 technicians, training of custom and enforcement officers and many awareness activities for stakeholders.</p> <p>The HPMP I successfully met its HCFC phase out target and phase out 111.85 ODP tonnes.</p>
4. Efficient data reporting	✓			The NOU has submitted the required reports to the Ozone Secretariat and MLFS in a timely manner.

13. Government endorsement:

Action plan authorized by (name):	MASHITAH DARUS
Signature of authorising authority:	
Title:	DIRECTOR OF AIR DIVISION
Supervising Organization/Agency/Ministry:	DEPARTMENT OF ENVIRONMENT MALAYSIA
Date:	4.10.2019

14. Submission of action plan:

Name of implementing agency:	UNDP
Name of Project Officer:	Manisha Sanghani
Signature of Project Officer:	 5 10 2019
Date:	
Comments of the implementing agency:	<p>Malaysia successfully implemented IS-XII and the country is in compliance with the HCFC phase-out target under the Montreal Protocol. Required regulation is in place to ensure sustainability of ODS phase-out. The HPMP Stage I has successfully completed and closed as per plan. The Foam sector technology and RAC servicing sector technical assistance were provided effectively. The NOU also participated in most of the network meetings to ensure knowledge exchange and keep them updated on Montreal Protocol activities.</p> <p>In the next IS Phase XIII, Malaysia is expected to continue to strengthen the national management capacity to effectively implement and monitor HCFC phase-out, to enforce the HCFC policies and regulations, and to sustain awareness and commitment on Montreal Protocol and ODS phase-out. The HPMP II implementation is ongoing.</p>