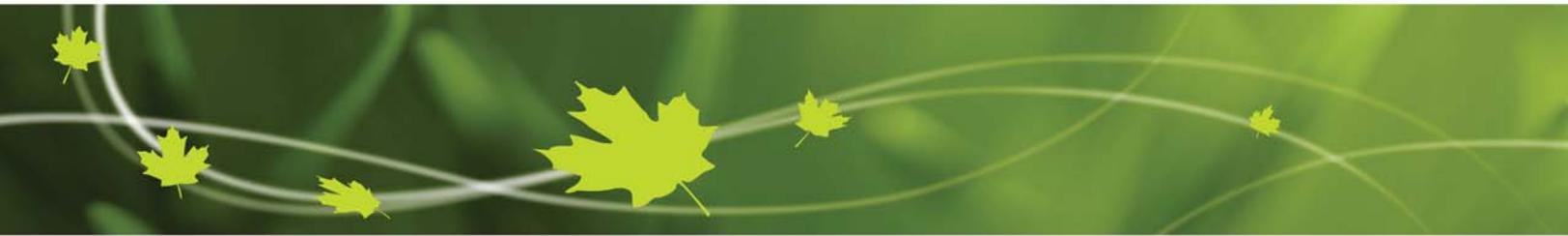




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Evaluation of Environment Canada's Activities in Support of the Montreal Protocol and Multilateral Fund

March, 2013

Canada

Report Clearance Steps

Planning phase completed	May 2012
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Acronyms used in the Report

ADM	Assistant Deputy Minister – check
AEB	Audit and Evaluation Branch
BAD	Bilateral Affairs Division
CBP	Consolidated business plan
CCME	Canadian Council of the Ministers of the Environment
CFCs	Chlorofluorocarbon
CIDA	Canadian International Development Agency
CPD	Chemical Production Division
CSD	Chemicals Sector Directorate
CTC	carbon tetrachloride – check
DFAIT	Department of Foreign Affairs and International Trade
EC	Environment Canada
ESB	Environmental Stewardship Branch
G&Cs	Grants and Contributions
GWP	Global warming potential
HCFC	Hydrochlorofluorocarbon
HFC	Hydrofluorocarbon
HPMP	HCFC Phase-out Management Plans
IAB	International Affairs Branch
MB	Methyl Bromide
MBAD	Multilateral and Bilateral Affairs Directorate
MLF	Multilateral Fund of the Montreal Protocol
MOPs	Meeting of the Parties - meaning
non-LVC	Non-low volume consuming
ODP	Ozone Depletion Potential
ODS	Ozone Depleting Substances
OEWG	Open-ended Working Group
PAA	Program Activity Architecture
POPs	Persistent organic pollutants
RMAF	Results-based Management and Accountability Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
US	United States

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The Evaluation Project Team was led by Gavin Lemieux, under the direction of the Environment Canada Evaluation Director, William Blois, and included Robert Tkaczyk and Ian Côté.

Prepared by the Evaluation Division of the Audit and Evaluation Branch

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Executive Summary

The report presents the results of the **Evaluation of Environment Canada's Activities in Support of the Montreal Protocol and Multilateral Fund** and was conducted by Environment Canada's (EC) Audit and Evaluation Branch (AEB) between March 2012 and November 2012.

The evaluation examines EC's work in meeting Canada's obligations under the Protocol, including presenting Canada's position on issues related to the global reduction of Ozone Depleting Substances (ODS), and the domestic activities that are related to these goals. The international activities fall under Program Activity Architecture (PAA) sub-sub-activity 3.2.2.2: *International Climate Change and Clean Air Partnerships*. Where appropriate, the evaluation also examines EC's activities related to developing and implementing domestic regulations, policies and programs under PAA sub-activity 3.1.1: *Substances Management*, in so far as they ensure Canada's compliance with its Montreal Protocol obligations.

The purpose of this evaluation was to assess the relevance and performance of Canada's activities under the Montreal Protocol and Multilateral Fund (MLF), including the Department's \$2M Grant & Contribution (G&C) authority that is used for direct payments to the MLF of EC's share of Canada's annual obligation. The evaluation covers approximately \$2M, or 0.3%, of the Department's direct program spending.¹

Methodologies used in this evaluation were a document review and 14 key informant interviews.

Findings and Conclusions

There is a continued need for the Montreal Protocol and the MLF given the ongoing work under the Protocol to address both the original concerns related to removing ODS from the global marketplace, as well as addressing the unintended side effects of replacing ODS with substances that have a high potential for global warming. Further, Canada is an original signatory and houses the MLF secretariat in Montreal. Other evidence also pointed to a clear need for the program given the variety of ongoing issues that are currently being addressed under the Protocol and its MLF, such as working with developing countries to ensure compliance, the management of replacement substances, and the global nature of the issues addressed.

The Montreal Protocol and the MLF are aligned with federal government priorities related to a healthy environment and EC's work under the Montreal Protocol is aligned with the department's overall approach to addressing international environmental issues. Canada's contribution to the Montreal Protocol is also consistent with federal roles.

¹ Based on Environment Canada 2011-12 Estimates Part III – Report on Plans and Priorities

Through signing the Protocol, Canada has committed to the goals and is mandated to take action to put these goals into effect.

Multilateral and Bilateral Affairs Directorate within International Affairs Branch and the Chemicals Sector within the Environmental Stewardship Branch have an appropriate design to meet the objectives of the Protocol, including unanimously positive feedback from external stakeholders, effective use of performance reporting and communication with domestic partners, and evidence of an ability to adapt to a changing program context as noted by the Department's decision to suspend the Bilateral Program Component and target resources in other areas.

Both the MLF at the international level and EC at the domestic level appear to employ effective governance mechanisms to manage the Montreal Protocol and the MLF.

While it is difficult to assess whether the activities are being delivered at the lowest possible cost, the evidence points to a generally cost-effective approach to delivering the Montreal Protocol and the MLF, both internationally and within EC.

Alternative strategies have been proposed for the MLF related to linking with other environmental issues. At the domestic level, the issue of ensuring a corporate memory on complex files and further, formal communications related to regulatory developments were highlighted during the interviews and document review.

EC has achieved the intended immediate outcomes over the five-year period assessed through the evaluation. The evidence suggests that Canada's interests and priorities are reflected at international meetings; the regulatory framework appears to be effective and is meeting both internal and external expectations; and, the evidence suggests that EC has been effective in working to help Article 5 countries meet their obligations.

EC has also achieved all intended intermediate outcomes over the past five years. Canada has phased out ozone-depleting substances in accordance with, or in advance of, applicable schedules. Canada has always contributed its assessed share to the MLF. External stakeholders were complimentary of Canada and EC's participation in multilateral negotiations and the evidence pointed to active EC participation in the Protocol and MLF over the past five year. Developing countries have generally been reducing ODS.

Management recommendations

Recommendation 1:

It is recommended that the ADM IAB and A/ADM ESB develop a knowledge management strategy to ensure an effective corporate memory related to Montreal Protocol and MLF-related issues is maintained.

While the partners and stakeholders involved in the Montreal Protocol and the MLF are long-standing and the Protocol itself is over twenty years old, there is still a high degree of complexity involved in developing and negotiating Canada's position and implementing domestic ODS and related strategies with provinces and industry. Examples of this complexity include: international negotiations to phase-out ODS-replacing substances such as Hydrofluorocarbons (HFC) that have high global warming potential; and, the critical exception use of Methyl Bromide (MB) in situations where the agricultural advantages of using MB as a pesticide outweigh the costs associated with ozone depletion. Some concern was expressed during the evaluation that, although EC is able to conduct its work with limited resource use, there are few individuals that are familiar enough with the Protocol to effectively articulate Canada's position as required.

Recommendation 2:

It is recommended that the ADM IAB and A/ADM ESB review current communication plans directed at external stakeholders, particularly industry, and where appropriate develop a revised communication strategy.

External stakeholders made generally positive comments regarding EC's approach to communicating and coordinating its Montreal Protocol related activities. All external stakeholders indicated that there was an appropriate level of communication from EC regarding both the potential impacts of Montreal Protocol amendments and opportunities to interact with EC staff prior to the develop of Canada's official negotiating positions. The majority of external stakeholders, however, suggested that there was an interest in expanding formal communication mechanisms to interact with domestic stakeholders. This was particularly true for any potential future changes to the regulatory framework as both industry stakeholders and environmental groups wanted to ensure that any broad changes to the scope and content of the regulations are communicated well in advance to ensure industry has sufficient time to adapt.

The responsible Assistant Deputy Ministers agree with the two recommendations and has developed a management response that appropriately addresses each of the recommendations.

The full management response can be found in Section 5 of the report.

1. Introduction

The purpose of this document is to present the **Evaluation of Environment Canada's Activities in Support of the Montreal Protocol and Multilateral Fund**. The evaluation itself was conducted by Environment Canada's Audit and Evaluation Branch (AEB) in FY 2012-2013. The evaluation's primary focus is Environment Canada's activities to support meeting Canada's obligations under the Protocol and to present Canada's position on issues related to the global reduction of Ozone Depleting Substances (ODS), and domestic activities that are related to these goals.

The rest of this document is organized as follows. Section 2 provides background information in the form of a profile of the Montreal Protocol and Multilateral Fund. Section 3 presents the purpose and scope of the evaluation. Section 4 explains the methodological approach to be used to address the issues and questions. Section 5 presents the evidence as it relates to the evaluation findings by question. Section 6 presents two recommendations for management response.

2. Profile

2.1 Overview

The overall purpose of the 1987 *Montreal Protocol on Substances That Deplete the Ozone Layer* and its amendments is to phase out the global consumption and production of ozone-depleting substances (ODS) in accordance with substance-specific controls schedules. As a Party to the Montreal Protocol since 1989, Canada participates in annual meetings of the Parties and related preparatory meetings, and implements domestically the controls schedules it is subject to under the Protocol. EC's work to coordinate and lead Canada's participation at international meetings falls under the Program Activity Architecture sub-sub-activity 3.2.2.2. EC also develops and implements domestic regulations, policies and programs to ensure Canada's compliance with its Montreal Protocol obligations. The domestic component of EC's Montreal Protocol activities currently falls under another area of the Department's Program Activity Architecture (PAA): sub-activity 3.1.1 (Substances Management). However, given the close link between the two components, the evaluation does provide evidence related to the domestic implementation of the Protocol as appropriate.

An important element of the Montreal Protocol is its Multilateral Fund (MLF), established in 1991. The MLF finances developing country Parties' incremental costs in phasing out ODS, as per their obligations under the Montreal Protocol. To this end, various national and international agencies submit projects for the consideration and approval of the MLF Executive Committee. EC leads and coordinates Canada's participation on all issues

related to the MLF², including Canada's participation on the MLF Executive Committee, and programs that provide assistance to developing countries in phasing out ODS in line with Montreal Protocol obligations.

In relation to the MLF, the Department manages a Grant of approximately \$2M, which is meant to cover both 20% of Canada's mandatory assessed contribution to the MLF (the remaining 80% of the Government of Canada's contribution is paid by the Canadian International Development Agency (CIDA)³), as well as the differential costs of locating the MLF Secretariat in Montreal.

2.2 Activities

Historically, activities undertaken by EC with respect to the MLF have consisted of two components: the policy component relating to Canada's participation in all MLF-related international negotiations, and the program component associated with the management of Canadian bilateral projects approved under the MLF. Although it was recently decided to no longer support bilateral programs through the MLF, they form a small part of the evaluation scope and are discussed in more detail below.

In order to finance its obligations to the MLF, the Department has an approximately \$2M Grant & Contribution (G&C) authority, originally approved by Treasury Board in 1993 and renewed every five years. The grant is used for direct payments to the MLF of EC's share of Canada's annual obligation and the annual differential costs incurred by the United Nations Environment Programme (UNEP) in locating the Secretariat of the MLF in Montreal. Environment Canada's activities under the Grant also involve the development of Canadian objectives and positions for the MLF and articulating these at relevant multilateral negotiation forums such as the three annual meetings of the MLF Executive Committee and the meetings of the Open-ended Working Group (OEWG) and the meetings of the Parties (MOPs).

With respect to the Montreal Protocol as a whole, activities relate to the development of policy objectives and preparing Canadian positions with respect to annual meetings of the OEWG, MOPs, and any associated workshops or meetings, as well as leading and coordinating Canada's participation at such meetings. This involves consultations with other federal government departments, foreign governments, and domestic stakeholders.

² It should be noted that management of the MLF file is currently under the responsibility of the International Affairs Branch, while the management of other international obligations related to the Montreal Protocol falls under the responsibility of the Environmental Stewardship Branch.

³ Canada's overall contribution has historically ranged from US \$4.8-5.7M (EC's share has been US \$1-1.1M)

The program component related to the MLF involved the management of Canadian bilateral projects, financed through part of Canada's mandatory contribution to the MLF (i.e., through EC's 20% share of the contribution)⁴. Once such projects were approved by the MLF Executive Committee, the associated funding counted as payment towards Canada's MLF obligation. Since 1993, EC has directly implemented about 40 bilateral projects. The objectives of the projects were as follows:

1. Provide effective assistance to developing countries to help them meet their obligations, under the Montreal Protocol to phase out ODS.
2. Share, promote and/or demonstrate Canadian expertise and technology in the field of ODS reduction, including Canadian technology, consultants, policy approaches and public sector experience.
3. Support Canadian broad foreign policy objectives, in particular by fostering cooperative relations with key developing countries and reinforcing Canada's international image on global environmental issues.

The bilateral program component of the MLF file underwent an internal audit and evaluation in 2006-2007. The results of both the audit and the evaluation were positive and related recommendations have been implemented (and reported to) the Audit and Evaluation Branch. However, in 2009/2010, it was decided to discontinue the bilateral program, on the understanding that existing projects would be completed in line with MLF requirements⁵. Although considered in the context of the current evaluation, given the recent decision to suspend the use of the bilateral program, the primary focus of the current evaluation is on the policy component of EC's activities under the Montreal Protocol.

2.3 Objectives and Expected Results

Objectives of Montreal Protocol

The objective is to prescribe measures to equitably control and eventually eliminate total global emissions of ozone-depleting substances through a gradual phasing out of the production and consumption of ODS, as well as the ban of trade in these substances with non-Parties to the Protocol.

EC's principal objectives under the Montreal Protocol are to:

- advance Canada's interests with respect to the implementation and further evolution of the Protocol;

⁴ As per the G&Cs' terms and conditions (T&Cs), the authority for the Grant to pay EC's share of Canada's annual obligation can be converted into Contribution money to finance bilateral projects. According to these T&C's, the Contribution component of the G&C authority requires an evaluation prior to April 01, 2013. In addition, the Contribution is subject to Transfer Payment Policy evaluation requirements for full coverage of all Grant and/or Contributions over a five-year period.

⁵ Montreal Protocol Bilateral Program Evolution and Options for the Future (2010)

- ensure that the Protocol continues to be relevant and effective in phasing out ODS and protecting the ozone layer, while delivering co-benefits to the climate system, and
- ensure that Canada complies with all of its obligations under the Protocol.

To these ends, the following activities are undertaken by EC:

- Develop objectives & prepare Canadian negotiating positions with respect to the Montreal Protocol Meetings of the Parties and associated workshops or meetings
- Lead and coordinate Canada's participation at such meetings
- Coordinate and collaborate on the implementation of the Montreal Protocol at all levels of government in Canada; in particular through the development and implementation of national regulations to control ODS consumption and production
- Identify and respond to emerging issues related to stratospheric ozone depletion, including revision of technical materials and technical training

Objectives of Multilateral Fund of the Montreal Protocol:

Objective is to finance developing country Parties' incremental costs in phasing out ODS, as per their obligations under the Montreal Protocol.

EC's principal objective is to ensure that the Multilateral Fund (MLF) provides assistance to all eligible developing countries, in a cost-effective and equitable manner, to ensure their compliance under the Montreal Protocol. To this end, EC undertakes the following activities:

- Develop Canadian objectives and negotiating positions for the MLF & articulate these at multilateral negotiation forums;
- Lead and coordinate Canada's participation at such meetings
- Review all important project proposals under the MLF to assess their cost effectiveness, technical feasibility and relevance to ensure compliance

Expected Results

Final Outcome

Reduced threats to the environment from ozone depleting substances at the lowest possible cost

Intermediate Outcomes

- Canada meets its obligations under the Montreal Protocol to prevent and minimize releases of ODS and their halocarbon alternatives and ultimately eliminate the use of ODS, including:
 - phasing out ozone-depleting substances in accordance with, or in advance of, applicable schedules;
 - contributing its assessed share to the Multilateral Fund for the Implementation of the Montreal Protocol;

- actively participating in all multilateral negotiations and forums to further strengthen and advance the global implementation of the Montreal Protocol.
- Reduced consumption of ODS in developing countries

Immediate Outcomes

- Canada's interests and priorities are reflected at international meetings and in workplans related to the Montreal Protocol
- Ozone layer protection controls are developed and implemented at all levels of government in Canada
- Effective assistance is provided to developing countries to help them meet their obligations under the Montreal Protocol to phase out ODS

2.4 Governance and Program Administration

Responsibility for the overall management and administration of the Montreal Protocol, except for the Multilateral Fund component, rests with the Manager, Ozone Layer Protection and Exports Control, Chemical Production Division (CPD), Chemical Sectors Directorate (CSD), Environmental Stewardship Branch. The manager receives general direction, advice and supervision from the Director, CPD, and the Director General, CSD.

Responsibility for the Multilateral Fund component rests with the Manager, Montreal Protocol Program, Bilateral Affairs Division (BAD), Multilateral and Bilateral Affairs Directorate (MBAD), International Affairs Branch. The Manager receives general direction, advice and supervision from the Director, BAD, and the Director General, MBAD.

2.5 Partners and Stakeholders

For Montreal Protocol meetings of the OEWG and MOPs, partners may include CIDA, which provides 80% of Canada's contribution to the MLF, as well as Agriculture and Agri-Food Canada and Health Canada's Pest Management Regulatory Agency (for methyl bromide-related issues). Historically, Industry Canada and Health Canada were also involved, but not in recent years. DFAIT was involved until 2010/2011 for both policy and legal related matters. However, DFAIT is now involved only for legal issues. Domestic stakeholders include the refrigeration and air conditioning industry, the foam manufacturing industry, the methyl bromide industry and some environmental non-governmental organizations.

As a partner in the MLF, Environment Canada's partners and/or stakeholders include: (1) the MLF Secretariat which reviews all projects submitted to the MLF; (2) other members of the MLF Executive Committee; (3) partnering international and national

institutions and agencies, such as the United Nations Development Programme, and (4) target groups within recipient countries, such as customs officers who would have been trained under projects or companies that receive equipment.

2.6 Resource Allocation

Grants for the Implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer

As explained above, the Department manages a Grant of approximately \$2M, which is meant to cover both 20% of Canada’s mandatory assessed contribution to the MLF (the remaining 80% is paid by CIDA) and the differential costs of locating the MLF Secretariat in Montreal. As noted, until recently, part of the Grant was converted into a Contribution in order to finance Canadian bilateral projects approved under the MLF, since funding for these projects counted towards Canada’s mandatory assessed contribution to the MLF. Table 1 below provide an overview (rounded to the nearest thousand) of the EC’s expenditures to date on the Montreal Protocol by main budget area. These figures include expenditures in both International Affairs Branch and Environmental Stewardship Branch.

Table 1: EC expenditures on Montreal Protocol for 2007-2008 to 2011-2012.

Budget Item	Fiscal Year					Total
	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	
Salary	648,000	405,000	371,000	302,000	327,000	2,053,000
O & M	622,000	399,000	169,000	158,000	196,000	1,544,000
G & C	1,537,000	1,828,000	1,979,000	2,000,000	2,242,000	9,586,000
Totals	2,807,000	2,632,000	2,519,000	2,460,000	2,765,000	13,183,000

Source: EC Finance Branch: April 2012 & ESB program management: November 2012

3. Purpose, Scope and Methodology of the Evaluation

3.1 Purpose and Scope

The purpose of this evaluation is to assess the relevance and performance of EC’s activities to support the Montreal Protocol and Multilateral Fund. As the last EC evaluation of the Montreal Protocol was completed in 2006-2007, the present evaluation will cover a five-year timeframe from 2007-2008 to 2011-2012. The evaluation addresses on-going work conducted by EC to implement the Montreal Protocol including the relevance and effectiveness of Grant and Contribution component of the Montreal Protocol

There are several factors that influence the specific scope of the evaluation. These are noted below:

- Given the decision to suspend the Bilateral Cooperation Program in EC, the focus of the evaluation was primarily on the development of Canada's objectives and positions under the Montreal Protocol and the MLF, although limited evidence was collected concerning the Bilateral program
- Evidence related to the successes and challenges of the Montreal Protocol and the MLF at an international level are presented to provide context to the work being undertaken by EC. The evaluation does not draw conclusions, however, on the overall success of the Montreal Protocol and/or MLF.
- An evaluation of the financial mechanism of the Montreal Protocol, currently being conducted by ICF on behalf of the Parties of the Protocol, was used to identify results related to the broad impacts and efficiency of the MLF and to avoid redundancy in data collection.
- While there are close linkages between the international and domestic components of the program (e.g., domestic measures such as the ODS regulations are the means by which Canada meets its international obligations), the evaluation focuses on the international component, particularly given that the domestic component resides in a different PAA element (3.1.1 Substances Management).

3.2 Evaluation Questions

The evaluation questions that were addressed in the evaluation are presented below.

1. Relevance:
 - a) Is there a continued need for Canada's contribution to the Montreal Protocol?
 - b) Is the Montreal Protocol aligned with Federal Government priorities?
 - c) Is Canada's contribution to the Montreal Protocol consistent with federal roles and responsibilities?

2. Performance:
 - a) *Efficiency and Economy:*
 - I. Is the design of Environment Canada's involvement with the Montreal Protocol appropriate for achieving its intended outcomes?
 - II. Are there effective governance and operational mechanisms in place for Environment Canada's work under the Montreal Protocol and MLF?
 - III. Is Environment Canada undertaking specific activities for the Montreal Protocol at the lowest possible cost?
 - IV. How could the efficiency of Environment Canada's Montreal Protocol activities be improved? Are there alternative, more economical ways of delivering outputs?

b) *Effectiveness:*

- II. To what extent have intended immediate outcomes been achieved as a result of the actions taken under the Montreal Protocol (as noted above)?
- III. To what extent have intended intermediate outcomes been achieved as a result of the action taken under the Montreal Protocol (as noted above)?

3.3 Methodology

Given the scope of the evaluation and the fact that the Montreal Protocol and the MLF have been in existence for over twenty years, the methodology used existing documentation wherever possible, and used interviews with domestic and international key informants to complement and deepen the understanding of EC's activities in this area. The methodological approach is described below:

- *Document and Literature Review.* Documents were obtained through requests to EC program and Multilateral Secretariat Fund staff, and a review of existing academic and technical literature available to the public. This included: the Evaluation of the Financial Mechanism of the Montreal Protocol⁶, Canada's position papers prior to meetings of the Parties and meetings of the Executive Committee of the MLF, as well as decision records from those meetings, documents obtained from the MLF Secretariat, EC policy and performance data, academic literature. Approximately 45 documents were consulted during this evaluation.
- *Key Informant Interviews.* Interviews with key informants were conducted to obtain informed opinions and observations on the evaluation questions, particularly those for which there is insufficient documentary evidence. Seven individuals involved in program management at EC were interviewed, as well as external stakeholders. External stakeholders were sampled from a list of key domestic and international partners obtained from EC program staff. The external stakeholders included: industry representatives (4), non-governmental organization representatives (1) and representatives of the Montreal Protocol Multilateral Fund Secretariat in Montreal (2).

Some challenges were anticipated for this evaluation and, where possible, the mitigation strategies are provided:

- Interview data can present some limitations, in particular, the possibility of bias and memory gaps on the part of interviewees, and bias stemming from the selection of interviewees given that it will not be feasible to interview each and

⁶ Evaluation of the Financial Mechanism of the Montreal Protocol. ICF International (2012)

every relevant stakeholder. These limitations were managed by (1) carefully selecting the sample of interviewees to ensure that all relevant perspectives were adequately covered by knowledgeable respondents from each interviewee group; (2) asking interviewees to provide evidence or concrete examples to support the views they expressed; and (3) corroborating the interview findings with reliable evidence from documentation and data where possible.

- As key decisions and program activities of the Montreal Protocol are implemented in a multinational, cooperative fashion, it was difficult to attribute observed impacts to the efforts of Canada, as opposed to those of other parties. Similarly, it was a challenge to assess the specific impacts of the Montreal Protocol on Canada. It was therefore necessary to use the best available estimates and examples of the degree to which and how Canada has contributed to and been impacted by the work of the Montreal Protocol. Attribution is a typical challenge in an evaluation of a program operating with multiple partners and stakeholders. This challenge was mitigated to the extent possible by focusing on EC's contribution to the Montreal Protocol and MLF, and presenting it within the broader context of the development of the Protocol.

4. Findings

For each evaluation question, a rating is provided based on a judgment of the evaluation findings. The rating statements and their significance are outlined below in Table 2. A summary of ratings for the evaluation issues and questions is presented in Annex 1.

Table 2: Definitions of Standard Rating Statements

Statement	Definition
Appropriate Progress /Achieved	The intended outcomes or goals have been/are being achieved
Some Progress/Attention Needed	Considerable progress has been made to meet the intended outcomes or goals, but attention is still needed
Little Progress/Priority for Attention	Little progress has been made to meet the intended outcomes or goals and attention is needed on a priority basis

4.1 Relevance

Evaluation Issue: Relevance	Rating
1. Is there a continued need for Canada's contribution to the Montreal Protocol?	Appropriate Progress / Achieved

Documentary evidence points to a continued need for the Montreal Protocol and the MLF given the ongoing work under the Protocol to address both the original concerns related to removing ODS from the global marketplace, as well as addressing the unintended side effects of replacing ODS with substances that have a high potential for global warming. Further, Canada is an original signatory and houses the MLF secretariat in Montreal⁷.

- The stratospheric ozone layer acts like a shield that protects organisms from harmful ultraviolet (UV) radiation. During the 1980s, there was increasing evidence that the ozone layer was thinning, leading to harmful effects on human health⁸.
- A range of academic and technical articles reviewed for this evaluation pointed to the positive impact on the Montreal Protocol and the MLF on significantly reducing ozone depletion⁹, however, there is still concern regarding uncertainty over measuring and monitoring ozone levels and making effective international policy to address ozone depletion¹⁰ and, in particular to address the unintended impact of replacing ozone-depleting substances with substances that have a high

⁷ The Montreal Protocol Secretariat is located at UNEP headquarters in Nairobi.

⁸ www.epa.gov/ozone/intpol

⁹ Roots, O et. al. (2012); Gareau, B (2010); Daniel J.S. et al. (2010).

¹⁰ O'Reilly, Jessica, et. al. (2011); Ganguly N.D. and Iyer, K.N. (2009)

global warming potential¹¹. Specifically, hydrofluorocarbons (HFC), substances with high global warming potential that were introduced on to the global market as replacements for ozone-depleting substances.

- Given the growing concern regarding hydrofluorocarbons (HFC) Canada, along with the U.S. and Mexico, have proposed an amendment to the Montreal Protocol to phase down these substances¹².

Other evidence also pointed to a clear need for the program given the variety of ongoing issues that are currently being addressed under the Protocol and its MLF, such as working with Article 5¹³ countries to ensure compliance and the management of replacement substances:

- To mitigate the impact of high global warming substitutes (HFCs), many of the HPMPs (Hydrochlorofluorocarbon Phase-out Management Plans) approved for all developing countries include strategies and provisions for avoiding reliance on HFCs when other alternatives are technically and economically feasible. China, an Article 5 country whose Hydrochlorofluorocarbon (HCFC) consumption represents almost 60% of Article 5 Parties' total consumption, has experienced significant sustained growth in HCFC-22 consumption at an average of 25.6% since 2003, and related applications are likely to continue to grow. China has also accumulated a large stockpile (or banks) of Chlorofluorocarbon (CFCs) that have not yet been properly destroyed for environmental mitigation purposes¹⁴.

Finally, there is evidence for the need for EC's specific role under the Protocol and the MLF given the global nature of the issues addressed.

- All interviewees indicated that there was a continued need to participate in the Montreal Protocol and the MLF, noting the fact that the effects of ozone-depleting substances are truly global and the only means to effectively manage them is through an international agreement. External stakeholders also noted that they require information on potential impacts to the cost of available technologies as a result of domestic regulations, as well as a voice in developing Canada's position, where appropriate. All interviewees noted that, at this time, EC is the only organization that is engaged with domestic stakeholders.

¹¹ Tripier, Coralie (2012); Roberts, M.W. (2009).

¹² http://ozone.unep.org/Meeting_Documents/mop/21mop/index.shtml.

¹³ Article 5 countries refers to developing countries under the Montreal Protocol.

¹⁴ Destruction of these stockpiles is not a requirement under the MP, as they can be used, as well as recovered and re-used, when feasible.

Evaluation Issue: Relevance	Rating
2. Is the Montreal Protocol aligned to federal government priorities?	Appropriate Progress / Achieved

The Montreal Protocol and the MLF are aligned with federal government priorities related to a healthy environment and EC’s work under the Montreal Protocol is aligned with the department’s overall approach to addressing international environmental issues.

- Recent Speeches from the Throne and Federal Budgets have noted the importance of a sustainable environment in relation to economic growth, and though not mentioning the Montreal Protocol specifically, have noted the importance of clean air for Canadians.
- Documents generally pointed to the alignment of EC’s work under the Montreal Protocol with the department’s general approach to addressing international environmental issues. For example, the 2011-12 Reports on Plans and Priorities noted that EC “will continue to play a leadership role in international processes...It will be a negotiator of, and capable and effective partner in multilateral efforts”¹⁵. Further, EC’s work with the United States and Mexico to address HFCs through the Montreal Protocol is aligned with the department’s overall commitment to address air-related issues in a way that “depends upon transboundary cooperation and harmonization of policies across jurisdictions”¹⁶
- Interviewees, both internal and external, strongly endorsed the idea that both the Montreal Protocol and MLF are consistent with the federal government’s role. Interviewees noted specifically that the federal government is required to negotiate on Canada’s behalf on international agreements and there is an expectation that the federal government will lay out broad regulatory framework to ensure its regulations remain consistent with international objectives.

Evaluation Issue: Relevance	Rating
3. Is Canada’s contribution to the Montreal Protocol consistent with federal roles and responsibilities?	Appropriate Progress / Achieved

Canada’s contribution to the Montreal Protocol is consistent with federal roles. By signing the Protocol, Canada has committed to the Protocol’s goals and is mandated to take action to put these goals into effect.

- As a Party to the Montreal Protocol, Canada is obliged to implement the required domestic policy to ensure compliance and to reduce and eliminate all ODS.
- The MLF, set up to assist Article 5 countries in meeting obligations under the Protocol, is financed by mandatory contributions from developing countries such

¹⁵ Environment Canada 2011-12 Estimates Part III – Report on Plans and Priorities (page 13)

¹⁶ Ibid.

as Canada. The Government of Canada contributes to this fund via CIDA and EC, and normally relies on EC to represent Canada in all negotiations, thus ensuring that the Canadian government’s perspectives are represented in the MLF.

- A number of acts and regulations provide the Department with its mandate to carry out its domestic obligations under the Montreal Protocol. Specifically, *the Department of the Environment Act* and the *Canadian Environmental Protection Act* allows the department to coordinate the policies and programs of the government related to the preservation and enhancement of the quality of the natural environment, including air quality¹⁷, and to develop regulations to meet these goals. As a result, EC’s role under the Montreal Protocol and MLF are consistent with our obligations to manage ozone issues as a representative of Canada and as a coordinating body within Canadian jurisdictions.

4.2 Performance- Economy and Efficiency

Evaluation Issue: Performance	Rating
4. Is the design of Environment Canada’s involvement with the Montreal Protocol appropriate for achieving its intended outcomes?	Appropriate Progress / Achieved

The evidence indicates that the Multilateral and Bilateral Affairs Directorate within International Affairs Branch and the Chemicals Sector within the Environmental Stewardship Branch have an appropriate design to meet the objectives of the Protocol, including unanimously positive feedback from external stakeholders, effective use of performance reporting and communication with domestic partners, and evidence of an ability to adapt to a changing program context as noted by the Department’s decision to suspend the Bilateral Program Component and target resources in other areas.

- At a broad level, the Montreal Protocol is designed to deliver a global reduction in the use of ODS. Several research articles have noted that the Montreal Protocol’s design strives to reach consensus through a multilateral approach and has achieved unilateral support across all UN member nations¹⁸ It focuses international resources on relatively clearly measurable outcome of ozone depletion and addresses clear human health impacts.¹⁹ The recent independent *Evaluation of the Financial Mechanism of the Montreal Protocol* by ICF International noted, at a broad level, that the mechanisms in place under the MLF to meet the objectives of the Montreal Protocol are well-designed. Specifically, it

¹⁷ Environment Canada 2011-12 Estimates Part III – Report on Plans and Priorities (page 7)

¹⁸ DeCanio, S.J. (2003); Hammit, K.J. (1999); Revesz, R.L. (1999)

¹⁹ Susteain, Cass (2007) *Of Montreal and Kyoto: A tale of two protocols*

was noted that the process and practices to develop, review and approve projects under the MLF have been effective and that projects approved by the MLF have contributed to phasing out ODS in Article 5 countries.

- All external stakeholders were very positive regarding EC's design and delivery of the Protocol and the MLF. External interviewees involved in international negotiations were very complementary of the role that EC has played in facilitating negotiations and using the mechanisms of the MLF to work with countries that are struggling to meet ODS objectives. External interviewees that were involved in domestic implementation noted that EC has an effective approach to informing provinces of its changes to the regulatory framework and had used Industry Working Groups to inform industry on potential amendments to the Protocol, and changes to its federal regulations as well as the potential impact these may have on industry.
- Internal stakeholders were also very positive regarding the design of EC, noting that the design of the reporting requirements has been effective. It was noted that the reporting requirements under the regulations, for example, allow for effective and reliable performance reporting, ensuring a solid reporting system also and allowing for better models to predict the impact of future regulations. This has enabled Canada to regularly report on meeting or surpassing obligations under the Protocol. Internal stakeholders noted that the CCME has been an effective tool to manage relations with provincial partners.
- The redesign of EC's funding activities under the Montreal Protocol, specifically the decision to pay for the departmental assessed contribution to the MLF entirely through an annual grant payment and develop an exit strategy for the bilateral program, was noted as an effective example of designing activities to best address a changing context. Specifically, it was noted during the interviews, and confirmed through document analysis, that program management identified a diminishing need in developing countries for Canadian expertise in phasing out HCFCs, as well as noting the limited flexibility to adjust Grants and Contribution resources (as well as Operations and Management resources) to contract Canadian suppliers of expertise. As a result, the program refocused its use of available resources to target areas such as maintaining leadership through the Executive Committee, the Meeting of the Parties and on proposals that aligned with Canada's interests (e.g., HFC phase-down)²⁰.

²⁰ Montreal Protocol Bilateral Program Evolution and Options for the Future (2010)

Evaluation Issue: Performance	Rating
5. Are there effective governance and operational mechanisms in place for Environment Canada’s work under the Montreal Protocol and MLF?	Appropriate Progress / Achieved

Both the MLF at the international level and EC at the domestic level appear to employ effective governance mechanisms to manage the Montreal Protocol and the MLF.

- Evidence from the external evaluation of the MLF suggested that there are effective governance and operational mechanisms in place²¹. For example:
 - There is a consensus among interviewees that the decision-making system in place to develop, review and approve project proposals are effective, transparent and generally efficient; and,
 - the ability of the MLF system to accommodate a large volume of projects, for example with HPMPs, was considered an indication of the effectiveness and efficiency of the governance system.

- At the domestic level, the document review and interviews indicated that there is an effective approach to managing Canada’s involvement in the Montreal Protocol. In particular, the coordination between the International Affairs Branch and the Environmental Stewardship Branch brought together the international and domestic frameworks in way that several external stakeholders described as “seamless”. Internal interviewees noted that the governance mechanisms and the committee structures within the Montreal Protocol (e.g., the Executive Committee) were effective, the relationships with secretariat staff were positive, and there were no major governance challenges to advancing Canada’s position.

Evaluation Issue: Performance	Rating
6. Is Environment Canada undertaking specific activities for the Montreal Protocol at the lowest possible cost?	Appropriate Progress / Achieved

While it is difficult to assess whether the activities are delivered at the lowest possible cost, the evidence points to a generally cost-effective approach to delivering the Montreal Protocol and the MLF, both internationally and within EC.

- As noted previously, the Montreal Protocol and the MLF are widely considered to be cost effective^{22 23}, particularly in comparison to other international

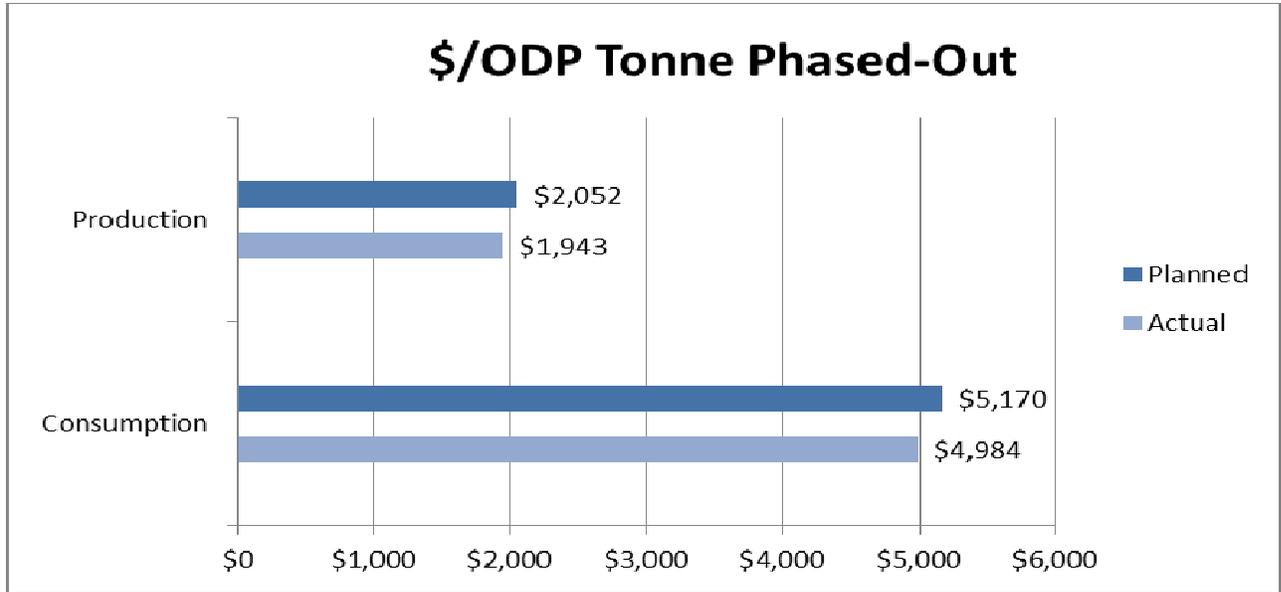
²¹ Evaluation of the Financial Mechanism of the Montreal Protocol. ICF International (2012)

²² DeCanio, S.J. (2003); Hammit, K.J. (1999); Revesz, R.L. (1999)

²³ <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/ENVIRONMENT/EXTTMP/0,,contentMDK:20>

environmental agreements²⁴. Specific to the MLF, for example, an independent analysis of MLF-funded projects examined the planned vs. actual dollars spent per Ozone Depletion Potential (ODP) tonne phase-out. As noted in Table 3, ODS projects aimed at reducing consumption were 3% more cost-effective than planned, while projects aimed at reducing ODS during production were 4% more cost-effective than planned²⁵.

Table 3: Planned versus Actual Cost-Effectiveness Achieved by Completed MLF Projects



Source: Evaluation of the Financial Mechanisms of the Montreal Protocol, p. 20

- Interviewees indicated that EC appeared to function within a very limited budget and were able to effectively coordinate both international and domestic activities as required. A small number of internal interviewees also highlighted the decision to suspend the Bilateral Cooperation Program as evidence that EC program and senior management had taken cost and available resources into account. Further, an analysis of existing documentation indicated that Canada had proposed several approaches to ensure a cost effective implementation of the MLF (for example, Canada’s proposal requiring implementing agencies revise HCFC business plans to take into account relevant cost parameters)²⁶.

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²⁴ Sustain, Cass (2007) Of Montreal and Kyoto: A tale of two protocols

²⁵ Evaluation of the Financial Mechanism of the Montreal Protocol. ICF International (2012)

²⁶ 60th Meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

Evaluation Issue: Performance	Rating
7. How could the efficiency of Environment Canada’s Montreal Protocol activities be improved? Are there alternative, more economical ways of delivering outputs?	N/A

Alternative strategies have been proposed for the MLF related to linking with other environmental issues. At the domestic level, the issue of ensuring a corporate memory on complex files and further, formal communications related to regulatory developments were highlighted during the interviews.

- At the international level, an independent evaluation noted that the MLF has two potential opportunities for improvement. First, it suggested that the MLF “promote ODS destruction...by linking it with the collection and destruction of persistent organic pollutants (POPs)”²⁷. Second, it suggested that “potential opportunities exist in the linkage between ozone and climate”²⁸. At the time of the evaluation, it was not yet clear whether the MLF Executive Committee had endorsed these suggestions and what, if any, actions may be undertaken.

Two issues were raised with respect to improving the efficiency of EC’s involvement:

- Internal and external stakeholders noted that while the personnel involved in the implementation of the Protocol are very experienced, there are limited opportunities to build internal capacity to ensure continuity in the way in which EC manages and negotiates on behalf Canada, particularly in areas of complex negotiation. An example that was cited both internally and externally was the critical exception use of Methyl Bromide (MB).

MB is a pesticide that, while a controlled ODS, has been shown to be a very effective fumigant to help protect crops, in some cases more effective than any other similar non-ODS currently in the market. Countries like Canada can apply for critical use of MB under the Montreal Protocol if there are justifiable reasons for its use, namely that no technically or economically feasible alternatives exists in Canada. Canada has phased out the vast majority of MB, however it is still used in certain instances given the lack of a technically and economically feasible alternative²⁹. The issue of critical use was highlighted by several interviewees to demonstrate the complexity of working within the Montreal Protocol. EC’s management of critical use was praised by domestic and international external stakeholders. Some interviewees raised the concern, however, that there may not be sufficient corporate memory to continue to

²⁷ Evaluation of the Financial Mechanism of the Montreal Protocol. ICF International (2012); page 4

²⁸ Ibid; page 4

²⁹ <http://www.gazette.gc.ca/rp-pr/p1/2010/2010-06-19/html/notice-avis-eng.html>

manage this issue effectively given that there are few individuals that presently work within this area in Canada

All external stakeholders indicated that there was an appropriate level of communication from EC regarding both the potential impacts of Montreal Protocol amendments and opportunities to interact with EC staff prior to the develop of Canada’s official negotiating positions. The majority of external stakeholders, however, acknowledged that while EC is only one player at the domestic level, there was an interest to see more formal communication mechanisms to interact with domestic stakeholders. This was particularly true on any potential future changes to the regulatory framework as there was an interest from industrial stakeholders to ensure that any broad changes to the scope and content of the regulations are communicated well in advance to ensure industry has sufficient time to adapt.

- Aside from the issues related to ensuring corporate memory and additional formal communication related to any future regulatory changes, interviewees did not raise any alternative ways of delivering the Montreal Protocol. The majority of interviewees noted that EC does not have a high degree of control over the way in which the Montreal Protocol and the MLF operate. The rules for negotiating and approving amendments under the Montreal Protocol are based on existing rules within the United Nations. At the domestic level, EC has the role of implementing domestic regulations that ensure obligations under the Montreal Protocol are met.

4.3 Performance- Effectiveness

Evaluation Issue: Performance	Rating
8. To what extent have intended immediate outcomes been achieved as a result of the actions taken under the Montreal Protocol?	Appropriate Progress / Achieved

EC has achieved the intended immediate outcomes over the five year period studied in the evaluation. The evidence suggests that Canada’s interests and priorities are reflected at international meetings; the regulatory framework appears to be effective and is meeting both internal and external expectations; and, the evidence suggests that EC has been effective in working to help Article 5 countries meet their obligations.

8.a Canada’s interests and priorities are reflected at international meetings and in workplans related to the Montreal Protocol

- One key source of evidence to assess the extent to which Canada's interests and priorities are reflected at international meetings and in workplans related to the Montreal Protocol was an analysis of Canada's position prior to seven recent MLF Executive Committee meetings³⁰. The analysis examined the content of Canada's official position prior to the meeting and compared it to the official records of decision published after the meetings. There were thirteen (13) separate positions examined during the timeline assessed. Of these, Canada achieved its objectives in eleven (11) cases and did not in two (2) cases.³¹. Although there is no comparable information from which to assess whether these results are positive, given the complex level of negotiations with multiple international partners and the fact that the vast majority of Canada's positions that were discussed were accepted, the results appear to indicate that Canada's interests are being reflected within the MLF and the Montreal Protocol as a whole to a large extent. To validate these findings, internal and external interviewees were unanimous in expressing the view that Canada's position is well-reflected within the Montreal Protocol.

8.b Ozone layer protection controls are developed and implemented at different levels of government in Canada

- The evidence suggests that EC has worked with provincial and external stakeholders to put in place ozone layer protection controls. Canada's ozone layer protection program includes provincial and federal initiatives, such as regulations such as the *Federal Halocarbon Regulations, 2003*³² and the *Ozone-depleting Substances Regulations, 1998*³³ and codes of practice. The federal government is responsible for implementing the provisions of the Montreal Protocol, including controls on the manufacture, import and export of ozone-depleting substances. Provincial and territorial regulations complement federal regulations. For example, in Ontario, the Ontario Environmental Protection Act (Part VI) regulates the discharge, making, use, sale, transfer, display, transport, store and disposal of ozone-depleting substances and other halocarbons in Ontario³⁴. The provinces and territories are also responsible for the sale, handling, use, recovery and recycling of ozone-depleting substances.

³⁰ Canada participates actively in all Montreal Protocol meetings of the OEWG, the Parties and the Executive Committee of the MLF. Due to time and resource constraints, the evaluation team chose to focus analysis on the Executive Committee. The findings were broadly validated, however, through an examination of records of decisions of meetings of other Montreal Protocol bodies and other documentary evidence.

³¹ Evidence from seven meetings was assessed. In some cases, a decision related to Canada's position was deferred over multiple meetings.

³² <http://laws-lois.justice.gc.ca/eng/regulations/SOR-2003-289/index.html>

³³ <http://laws-lois.justice.gc.ca/eng/regulations/SOR-99-7/index.html>

³⁴ More information can be found at:

http://www.ene.gov.on.ca/environment/en/subject/ozone_depleting_substances/STDPROD_080500

8.c Effective assistance is provided to developing countries to help them meet their obligations under the Montreal Protocol to phase out ODS

- Several sources of evidence suggest that EC has been effective in providing assistance to Article 5 countries in meeting their obligations. The former Bilateral Program under the Montreal Protocol allowed EC to provide one-on-one support to Article 5 countries. Though a decision was taken to suspend the program, there was nevertheless evidence suggesting that EC had been effective in providing direct assistance to Article 5 countries since the last evaluation of the program in 2007. For example, in response to the 2007 *Evaluation of EC’s Bilateral Cooperation Program under the Multilateral Fund of the Montreal Protocol*, the department used the ten expected impacts set out in the program’s existing Results-based Management and Accountability Framework (RMAF) to assess projects in Chile, St. Lucia and Uruguay. Of the 20 indicators that were deemed relevant at the time of the study³⁵, 15 were considered to have been fully achieved, 4 were considered partially achieved and only one was not achieved. The report notes, for example, that Chile experienced a 90% reduction in CFC consumption in the refrigerant and air conditioning during the period of the project, Uruguay reduced CFC consumption from 29.3 tonnes to 6.4 tonnes during the period of the project, and CFC consumption in St. Lucia was sustained at zero during the project period.
- Evidence suggests that EC has also been effective in leading work under the Montreal Protocol and Multilateral Fund which is designed to assist Article 5 countries meet ODS obligations. EC representatives chaired the MLF Executive Committee in 2007 and co-chaired the Open Ended Working Group of the Montreal Protocol in 2009 and 2010. Additionally, EC was a key participant in developing the policies and guidelines for phasing out HCFCs in Article 5 countries and a key negotiator with respect to an amendment, proposed by Canada, Mexico and the U.S., to the Montreal Protocol to include the phase-down of HFCs³⁶

Evaluation Issue: Performance	Rating
9. To what extent have intended intermediate outcomes been achieved as a result of the action taken under the Montreal Protocol?	Appropriate Progress / Achieved

The intermediate outcomes broadly assess the extent to which Canada meets its obligations under the Montreal Protocol to prevent and minimize releases of ODS and their halocarbon alternatives and ultimately eliminate the use of ODS, including:

³⁵ The other ten indicators were deemed not relevant as they were not related to the specific conditions of the countries project.

³⁶ Internal documents provided by Multilateral Fund Secretariat

- phasing out ozone-depleting substances in accordance with, or in advance of, applicable schedules;
- contributing its assessed share to the Multilateral Fund for the Implementation of the Montreal Protocol;
- actively participating in all multilateral negotiations and forums to further strengthen and advance the global implementation of the Montreal Protocol.
- Reduced consumption of ODS in developing countries

Canada is meeting its Montreal Protocol obligations:

- Canada has phased out ozone-depleting substances in accordance with, or in advance of, applicable schedules³⁷.
- Canada has always contributed its assessed share to the MLF and paid the annual differential costs of locating the MLF Secretariat in Montreal. Internal interviewees noted, however, that there is growing concern the current budget may not be sufficient over the coming years as the differential costs of the Secretariat have been increasing.
- External stakeholders were complimentary of Canada and EC's participation in multilateral negotiations and, as noted previously, the evidence pointed to an active EC participation in the Protocol and MLF over the past five years.
- Evidence suggests that Article 5 countries have been reducing ODS through the activities of the MLF, for example:
 - From 1993 to 2011, MLF-funded projects resulted in the phase-out of 256,153 ODP tonnes of consumption and 192,628 tonnes on production in Article 5 countries.
 - There has been a successful phase-out across multiple chemical groups, such as CFCs, carbon tetrachloride (CTC) and halons.
 - MLF activities are estimated to have led to potential climate benefits as the emission reduction resulting from the ODS phased out under the MLF is estimated at 6,700 million metric tonnes of carbon dioxide over a fifteen year period.³⁸

³⁷ http://www.cec.org/ods/en/module01/cec_odspolicy_m01t043p02_e.asp

³⁸ ICF Evaluation of the Financial Mechanism of the Montreal Protocol (ICF International) posted on Ozone Secretariat website for MOP 24, section 3.3, available at: [UNEP/OzI.pro/24/INF/4](http://www.unep.org/OzI.pro/24/INF/4)

5.0 Recommendations and Management Response

The following recommendations are directed to the Assistant Deputy Minister, International Affairs Branch (IAB) and the Associate Deputy Minister, Environmental Stewardship Branch (ESB) at EC.

Recommendation 1:

It is recommended that the ADM IAB and AADM ESB develop a knowledge management strategy to ensure an effective corporate memory related to Montreal Protocol and MLF-related issues is maintained.

While the partners and stakeholders involved in the Montreal Protocol and the MLF are long-standing and the Protocol itself is over twenty years old, there is still a high degree of complexity involved in developing and negotiating Canada’s position and implementing domestic ODS and related strategies with provinces and industry. Examples of this complexity include: international negotiations to phase-out ODS-replacing substances such as Hydrofluorocarbons (HFC) that have high global warming potential; and, the critical exception use of Methyl Bromide (MB) in situations where the agricultural advantages of using MB as a pesticide outweigh the costs associated with ozone depletion. Some concern was expressed during the evaluation that, although EC is able to conduct its work with limited resource use, there are few individuals that are familiar enough with the Protocol to effectively articulate Canada’s position as required.

Statement of Agreement/Disagreement with the Recommendation		
The ADM IAB and A/ADM ESB agree with this recommendation.		
Management Action		
In order to broaden the scope of knowledge management to ensure corporate knowledge in this area, we agree to develop an action plan. This plan will consider actions such as training, mentoring and participation opportunities (such as the preparation of Canadian position papers, involvement in preparatory and follow-up work and attendance at meetings, etc.) for more junior staff, where this is feasible. This action plan will take into account the costs of international travel, the availability of key corporate files and information, and the limited program resources available.		
This same issue arises in a number of EC’s multilateral agreement programs.		
Timeline	Deliverable(s)	Responsible Party
Spring 2013	- An action plan to broaden involvement of staff in the activities under the Protocol.	Director General, Multilateral and Bilateral Affairs, International Affairs Branch & Director General, Chemicals Sector, Environmental Stewardship Branch

Recommendation 2:

It is recommended that the ADM IAB and A/ADM ESB review current communication approaches directed at external stakeholders, particularly industry, and where appropriate develop a revised communication approach.

External stakeholders made generally positive comments regarding EC’s approach to communicating and coordinating its Montreal Protocol related activities. All external stakeholders indicated that there was an appropriate level of communication from EC regarding both the potential impacts of Montreal Protocol amendments and opportunities to interact with EC staff prior to the develop of Canada’s official negotiating positions. The majority of external stakeholders, however, suggested that there was an interest in expanding formal communication mechanisms to interact with domestic stakeholders. This was particularly true for any potential future changes to the regulatory framework as both industry stakeholders and environmental groups wanted to ensure that any broad changes to the scope and content of the regulations are communicated well in advance to ensure industry has sufficient time to adapt.

Statement of Agreement/Disagreement with the Recommendation		
The A/ADM ESB agrees with this recommendation.		
Management Action		
Clear communication with domestic stakeholders is critical both in terms of obtaining feedback prior to the development of Canada’s position, as well as ensuring that we are able to meet our international obligations under the Protocol through domestic instruments. We will revise our communications approach for Canadian stakeholders to improve its effectiveness and ensure that this approach makes the best use of available technology (e.g., videoconferencing). We will contact stakeholders within a year following the implementation of the revised communications approach to assess whether it has improved communications with them.		
Timeline	Deliverable(s)	Responsible Party
Spring, 2013	- A revised communication approach for the Montreal Protocol for domestic stakeholders	Director General, Chemicals Sector, Environmental Stewardship Branch
Spring, 2014	- A follow-up assessment of the communications approach for domestic stakeholders	Director General, Chemicals Sector, Environmental Stewardship Branch

Annex 1 Summary of Findings

Evaluation Question (EQ)	Appropriate progress achieved	Some progress/attention needed	Little progress/priority for attention
Relevance			
EQ1 – Continued Need	√		
EQ2 – Alignment with Priorities	√		
EQ3 – Consistency with Roles and Responsibilities	√		
Performance			
EQ4 - Design	√		
EQ5 - Governance	√		
EQ6 – Delivery	√		
EQ7 – Efficiency			
EQ8 - Achievement of Immediate Outcomes	√		
EQ9 - Achievement of Intermediate Outcomes	√		