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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Seventy-first Meeting  
Montreal, 2-6 December 2013

**REPORT OF THE SEVENTY-FIRST MEETING OF THE EXECUTIVE COMMITTEE**

**Corrigendum**

This document is being issued to **replace** “Mauritius” **with** “Mauritania” in paragraph 37(b)(iii).

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**REPORT OF THE SEVENTY-FIRST MEETING OF THE EXECUTIVE COMMITTEE**

Introduction

1. The 71<sup>st</sup> meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization, Montreal, Canada, from 2 to 6 December 2013.
2. The meeting was attended by representatives of the following countries, members of the Executive Committee in accordance with decision XXIV/22 of the Twenty-Fourth Meeting of the Parties to the Montreal Protocol:
  - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Belgium, Canada, Finland, Japan, the United Kingdom of Great Britain and Northern Ireland (Chair) and the United States of America; and
  - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: India, Kuwait, Mali, Nicaragua, Serbia (Vice-Chair), Uganda and Uruguay.
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth Meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), both as implementing agency and as Treasurer of the Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the meeting as observers.
4. The Executive Secretary and staff of the Ozone Secretariat, and the co-chairs and members of the Technology and Economic Assessment Panel (TEAP) Replenishment Task Force were also present.
5. A representative of the Global Environment Facility (GEF) attended the meeting.
6. Representatives of the Alliance for Responsible Atmospheric Policy and the Environmental Investigation Agency also attended as observers.

## **AGENDA ITEM 1: OPENING OF THE MEETING**

7. The meeting was opened by the Chair, Ms. Fiona Walters, who welcomed members and congratulated the new Executive Secretary of the Ozone Secretariat, Ms. Tina Birmpili, and the new Chief Officer of the Multilateral Fund Secretariat, Mr. Eduardo Ganem, on their appointments. The Chair went on to outline the heavy agenda for what would be the last meeting of 2013, the HCFC production and consumption freeze year for Article 5 countries. In 2014, the Executive Committee would be holding two meetings a year, which meant that business planning for the 2014-2016 period would be addressed at the present meeting rather than at the first meeting of 2014. According to the business plans submitted by the agencies, activities for the 2012-2014 triennium had been under-programmed by US \$21 million, with over-programming of activities for the years 2015 to 2020. The Chair further pointed out that the report on balances and availability of resources showed that there were insufficient funds available for approval of all activities being considered at the 71<sup>st</sup> meeting, information that would be updated later in the meeting by the Treasurer.

8. Other items to be examined by the Executive Committee included: performance indicators for implementing agencies, progress reports on various activities, status reports and compliance, as well as delays in the completion of CFC, CTC and halon projects approved since 2009, including the request that any unused balances be returned to the Multilateral Fund in 2014. No new HCFC phase-out management plans (HPMPs) were being proposed, but some obstacles to the introduction of low global-warming-potential (GWP) technologies in Article 5 countries, particularly in the refrigeration and air conditioning sector, required discussion. UNEP's Compliance Assistance Programme (CAP) budget, and the administrative cost regime for the upcoming triennium were further issues for the Executive Committee's consideration.

9. The Executive Committee meeting's agenda also featured three policy issues related to HCFC phase-out: continuing discussion on the guidelines for preparatory funding for stage II of HPMPs; key considerations to minimize adverse climate impact in the servicing sector as applicable to HCFC phase-out; and the criteria for funding HCFC phase-out in the consumption sector adopted by decision 60/44. The discussion on the review of the funding criteria had been deferred to the 72<sup>nd</sup> meeting, but information regarding the incremental capital costs and operating costs incurred under stage I of HPMPs would be presented to the meeting by the Secretariat in accordance with decision 70/21.

10. Following her opening remarks, the Chair explained that the TEAP Replenishment Task Force co-chairs, Mr. Lambert Kuijpers and Ms. Shiqiu Zhang, were present at the meeting to consult with members regarding the 2015-2017 replenishment, pursuant to decision XXV/8 of the Twenty-fifth Meeting of the Parties, which requested the TEAP to consult widely on the matter with all relevant persons and institutions.

11. Following the opening remarks of the Chair, the Executive Committee congratulated Ms. Tina Birmpili on her appointment as Executive Secretary of the Ozone Secretariat; they looked forward to working with her.

## **AGENDA ITEM 2: ORGANIZATIONAL MATTERS**

### **(a) Adoption of the agenda**

12. The Executive Committee adopted the following agenda for the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/71/1, and as amended orally at the meeting:

1. Opening of the meeting.
2. Organizational matters:
  - (a) Adoption of the agenda;
  - (b) Organization of work.
3. Secretariat activities.
4. Status of contributions and disbursements.
5. Status of resources and planning:
  - (a) Report on balances and availability of resources;
  - (b) 2013-2015 business plans and tranche submission delays;
  - (c) Status reports and compliance.
6. 2014-2016 business plans:
  - (a) Consolidated business plan of the Multilateral Fund;
  - (b) Business plans of the bilateral and implementing agencies:
    - (i) Bilateral agencies;
    - (ii) UNDP;
    - (iii) UNEP;
    - (iv) UNIDO;
    - (v) World Bank.
7. Programme implementation:
  - (a) Monitoring and evaluation:
    - (i) 2013 consolidated project completion report;
    - (ii) Desk study on the evaluation of the preparatory phase of the phasing out of HCFCs;
    - (iii) Evaluation of metered-dose inhaler projects;
    - (iv) Draft monitoring and evaluation work programme for the year 2014;
  - (b) Performance indicators (decision 70/14).
8. Project proposals:
  - (a) Overview of issues identified during project review;

- (b) Bilateral cooperation;
  - (c) Amendments to work programmes for 2013:
    - (i) UNDP;
    - (ii) UNEP;
    - (iii) UNIDO;
  - (d) UNEP's Compliance Assistance Programme (CAP) budget for 2014;
  - (e) 2014 core unit costs for UNDP, UNIDO and the World Bank;
  - (f) Investment projects.
9. Draft guidelines for funding the preparation of stage II of HCFC phase-out management plans (decisions 66/5 and 69/22 and paragraph 105 of UNEP/OzL.Pro/ExCom/70/59).
  10. Discussion paper on minimizing adverse climate impact of HCFC phase-out in the refrigeration servicing sector (decision 68/11 and paragraph 120 of UNEP/OzL.Pro/ExCom/70/59).
  11. Revised paper on criteria for funding HCFC phase-out in the consumption sector adopted by decision 60/44 (decisions 69/22(b), 69/24(d) and 70/21(c)).
  12. Disbursement of funds for the HCFC phase-out management plan for China (decision 69/24(b)(i)).
  13. Terms of reference for the assessment of the administrative cost regime for the 2015-2017 triennium (decisions 66/17(e) and 68/10).
  14. Accounts of the Multilateral Fund:
    - (a) Final 2012 accounts;
    - (b) Reconciliation of the accounts.
  15. Revised 2013, 2014 and 2015 and proposed 2016 budgets of the Fund Secretariat.
  16. Recruitment process for the position of Chief Officer of the Multilateral Fund Secretariat (decision 70/27).
  17. Report of the Production Sector Sub-group.
  18. Other matters.
  19. Adoption of the report.
  20. Closure of the meeting.

**(b) Organization of work**

13. The Executive Committee agreed to consider under agenda item 18 (Other matters) the request to the Executive Committee made by the Meeting of the Parties in decision XXV/5 adopted at their Twenty-fifth Meeting to consider the need for additional demonstration projects to validate low-GWP alternatives for HCFC phase-out. The Executive Committee also agreed to consider under item 18 the matter of the dates and venues of the Executive Committee meetings to be held in 2014.

14. The meeting agreed to reconvene the Sub-group on the Production Sector with the following composition: Canada (facilitator), Finland, India, Japan, Kuwait, Nicaragua, Serbia, the United Kingdom of Great Britain and Northern Ireland, the United States of America and Uruguay.

**AGENDA ITEM 3: SECRETARIAT ACTIVITIES**

15. The Chief Officer began by extending the congratulations of the Fund Secretariat to Ms. Tina Birmpili, the new Executive Secretary of the Ozone Secretariat; he stressed his intention to preserve the historical cooperation and collaboration between the two Secretariats.

16. He then introduced document UNEP/OzL.Pro/ExCom/71/2, which provided an overview of the work done by the Secretariat since the 70<sup>th</sup> meeting, drawing attention to the summaries of the various meetings attended and missions undertaken by the staff of the Secretariat and the interaction with other international organizations.

17. He informed the Executive Committee that, while attending the Twenty-Fifth Meeting of the Parties, he had held informal discussions with a representative of the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) on ways in which the two Secretariats could collaborate. He had also provided a briefing on the Multilateral Fund, its modalities, and the current HCFC phase-out activities approved by the Executive Committee to two representatives of the European Parliament.

18. Since being appointed, the Chief Officer had also made two courtesy visits in response to invitations from the Secretary General of ICAO and the Executive Secretary of the Convention on Biological Diversity (SCBD). He had also received representatives of the Diplomatic Corps Services of the Department of Foreign Affairs, Trade and Development, Canada, at the offices of the Fund Secretariat.

19. In addition, although the Secretariat had received invitations to attend other events, it had been unable to attend owing to preparations for the present meeting. These included the signature of the Minamata Convention, meetings of the Board of the Green Climate Fund, the GEF Council meeting, and the Conference of the Parties to the UNFCCC. He said that he would welcome guidance from Committee members on how to handle such invitations. In response, one member said that he hoped that the Chief Officer and the Secretariat would continue to be judicious in considering such invitations. Another member said that it was useful, when possible, for a representative of the Secretariat to attend other meetings to share lessons learned and to absorb the lessons learned by others. In that respect, several members considered contact with the Green Climate Fund an interesting proposition, although the primary function of the Secretariat should remain to serve the Executive Committee and the Multilateral Fund. One member suggested that, in future reports on its activities, the Secretariat could include an additional section summarizing the advice given by the Secretariat to other bodies and organizations to keep track of it and to help ensure consistency.

20. The Chief Officer informed the Committee that the Secretariat provided a comprehensive review of the HPMP for Azerbaijan at the request of the GEF Secretariat. Several members expressed their

support for the role played by the Secretariat in the review of GEF projects as it had specific expertise of value to the process.

21. In response to questions on human resources issues, the Chief Officer said that the Executive Committee would need to approve the budget, taking into account the reclassification of two posts from general service (GS) staff level to professional staff (P) level that had occurred during the reclassification exercise within the two UNEP offices in Montreal undertaken by the Human Resources Management Service of the United Nations Office at Nairobi (UNON). Providing an update on progress made in filling vacant posts within the Secretariat, he explained that, since assuming his new role, he had primarily concentrated on preparations for the present meeting. However, the process of filling the vacant posts was under way and the related job descriptions were being submitted to UNEP.

22. One representative recalled that, at previous meetings, the Committee had identified a need for clear directives to build bridges between the Multilateral Fund and other multilateral environmental agreements (MEAs). Bridges were indeed being built as evidenced by the participation of Executive Committee members in a special working group at the Conference of the Parties to the UNFCCC. The Multilateral Fund had valuable experience to share with the UNFCCC in its efforts to develop its own financial mechanism.

23. Following the discussion, the Executive Committee decided:

- (a) To note with appreciation the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/71/2; and
- (b) To request the Secretariat to incorporate into future reports on Secretariat activities an additional section summarizing the advice given by the Secretariat to other bodies and organizations to enable monitoring and to ensure consistency.

**(Decision 71/1)**

#### **AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS**

24. The Treasurer introduced the report on the status of contributions and disbursements (UNEP/OzL.Pro/ExCom/71/3) and provided updated information on countries' contributions to the Fund as at 29 November 2013. He said that additional cash contributions had been received from the Government of Andorra (US \$11,944) and the Government of the United States of America (US \$1.5 million) as well as the proceeds of the United States of America's promissory notes due in 2013 (US \$1.67 million). He reported that the Fund's balance stood at US \$86.2 million, 62.8 per cent of pledges had been paid, and the balance on the gain from the fixed-exchange-rate-mechanism stood at US \$20.6 million. The Fund's balance was composed of US \$59.9 million in cash and US \$26.3 million in promissory notes. He also said that the Ozone Secretariat had explained to the Permanent Observer of the Holy See to UNEP and UN-HABITAT that all non-Article 5 Parties had to make financial contributions to the Fund. The Permanent Observer of the Holy See had promised to advise the Holy See accordingly. It was suggested that the Fund Secretariat and the Treasurer be requested to continue discussing the matter with the Holy See.

25. In response to a question on accrued interest earned, the Treasurer said that all accrued interest from all implementing agencies up to September 2013 had been reported. In response to a question on the outstanding contribution by the Russian Federation, the representative of the Secretariat explained that, while the Russian Federation had agreed to pay its contributions starting in 2013 and had paid its contribution for 2013, there had been no agreement on payment of its outstanding contributions.

26. Later during the meeting the Treasurer reported that an additional US \$23 million had been received from the Government of the United States of America and, consequently, the Funds' balance stood at approximately US \$109.2 million, composed of approximately US \$83.0 million in cash and US \$26.2 million in promissory notes, and the report of the Treasurer would be updated accordingly.

27. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements and the information on promissory notes, as contained in Annex I to the present report;
- (b) To further note that the interest reported in document UNEP/OzL.Pro/ExCom/71/3 excluded the interest of US \$94,385 earned on balances transferred from the implementing agencies to the Government of China;
- (c) To urge all parties to pay their contributions to the Multilateral Fund in full and as early as possible; and
- (d) To request the Treasurer, in consultation with the Fund Secretariat, to continue the discussions with the Holy See on its outstanding contributions to the Multilateral Fund and to report back to the Executive Committee at its 72<sup>nd</sup> meeting.

**(Decision 71/2)**

## **AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING**

### **(a) Report on balances and availability of resources**

28. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/4 and said that, taking into account the Fund's balance as reported by the Treasurer, which included the return of the unused balance of the Secretariat's 2012 budget and the amounts returned by the implementing agencies from completed and ongoing projects, the total level of resources available at the present meeting stood at US \$90,465,533 and that consequently there could be a shortfall of US \$11,523,033 if the Executive Committee approved all the projects under consideration at the present meeting.

29. In the discussion that followed, the Executive Committee was informed that the balances for two completed projects would be returned to the Fund by the Government of France. It was pointed out that it was premature to conclude that there might be a shortfall in funding required at the present meeting as it might be the case that additional funds would be received or that not all the projects being considered would be approved. It might be useful to encourage implementing agencies to return the balances for projects completed over two years previously to the 72<sup>nd</sup> meeting instead of simply asking them to do so as soon as possible.

30. In response to a question on past practice with regard to shortfalls in funding, the representative of the Secretariat confirmed that they had occurred in the past and that the way to address the issue would be for the Fund Secretariat to meet with the implementing agencies to agree on the process for the transfer of funds as soon as they became available. In some cases, funds were deposited between meetings. She also explained that, while the Secretariat was actively encouraging the implementing agencies to return funds as soon as possible, the agencies had administrative constraints related to financial closure of completed projects.

31. As indicated in paragraph 26 above, the Treasurer had reported at a later stage during the meeting that an additional US \$23 million had been received from the Government of the United States of

America. Consequently, sufficient funding would be available for the amounts recommended for approval at the present meeting and no further consultation was required on the matter.

32. The Executive Committee decided:

- (a) To note:
  - (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/71/4;
  - (ii) That the net level of funds being returned by the implementing agencies at the 71<sup>st</sup> meeting was US \$3,918,245 against projects, which included the return of US \$28,343 from UNDP, US \$583,568 from UNEP, US \$48,717 from UNIDO and US \$3,257,617 from the World Bank;
  - (iii) That the net level of support costs being returned by the implementing agencies at the 71<sup>st</sup> meeting was US \$318,818 against projects, which included the return of US \$2,380 from UNDP, US \$53,981 from UNEP, US \$3,655 from UNIDO and US \$258,802 from the World Bank;
  - (iv) That implementing agencies had balances totalling US \$566,914, excluding support costs, from projects completed over two years previously, which included US \$94,141 for UNDP, US \$273,027 for UNEP and US \$199,746 for UNIDO;
  - (v) That UNDP had already alerted its country offices to financially close those projects with balances completed over two years previously;
  - (vi) That UNEP would return funds for 16 of 21 projects not related to HCFCs or methyl bromide (MB) at the 72<sup>nd</sup> meeting;
  - (vii) That UNIDO would return balances by the 72<sup>nd</sup> meeting for three projects: China (CPR/PRO/47/INV/436), Pakistan (PAK/REF/59/PRP/74) and Saudi Arabia (SAU/FOA/60/PRP/07);
  - (viii) That the Government of Japan had balances totalling US \$335, excluding support costs, for one project completed over two years previously;
  - (ix) That the Government of France's balances for two projects completed over two years previously and not yet returned to the Fund, totalling US \$308,920, excluding support costs, would be returned to the Fund;
  - (x) That the net level of funds and support costs being returned by the bilateral agencies at the 71<sup>st</sup> meeting was US \$6,444, which included the return of US \$3,260 from the Government of the Czech Republic, US \$2,992 from the Government of Japan, and US \$192 from the Government of Portugal; and to request the Treasurer to follow up with the respective Governments on the cash transfer to the Fund; and
- (b) To request:
  - (i) Implementing agencies with projects completed over two years previously to return the balances at the 72<sup>nd</sup> meeting, or as soon as possible thereafter; and

- (ii) UNEP to return at the 72<sup>nd</sup> meeting all unobligated balances identified in document UNEP/OzL.Pro/ExCom/71/4.

**(Decision 71/3)**

**(b) 2013-2015 business plans and tranche submission delays**

33. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/5, and informed the members of the Committee that UNDP had withdrawn the submission for the third tranche of the HPMP for the Islamic Republic of Iran subsequent to issuance of the document.

34. The Executive Committee decided:

(a) To note:

- (i) The report on the 2013-2015 business plans and tranche submission delays as contained in document UNEP/OzL.Pro/ExCom/71/5;
- (ii) The information on tranche submission delays under multi-year agreements (MYAs) submitted to the Secretariat by UNDP, UNEP, UNIDO and the World Bank;
- (iii) That 49 out of 66 tranches of MYAs due for submission had been submitted on time to the 71<sup>st</sup> meeting and that five of them had been withdrawn after discussion with the Fund Secretariat;
- (iv) With concern, that the political situation in the Central African Republic might have a negative impact on compliance with the control measures of the Montreal Protocol;
- (v) That the other tranches not submitted to the 71<sup>st</sup> meeting as listed in Table 7 of document UNEP/OzL.Pro/ExCom/71/5 were not expected to have a negative impact on compliance owing to the fact that the latest consumption figures were below the baseline or import controls in place would ensure compliance;

(b) To request:

- (i) The bilateral and implementing agencies to address those activities not submitted in 2013 as planned, as contained in Annex II to the present report, in their 2014-2016 business plans;
- (ii) The Secretariat:
  - a. To send letters to the Governments of the following countries to urge the submission of the next tranche of the MYA, indicating where applicable that the 71<sup>st</sup> meeting was the second meeting to which the tranche could have been submitted but had not been: Angola, Bangladesh, Brazil, Burundi, the Central African Republic, Equatorial Guinea, Gabon, Iraq, Jordan, Peru, and Suriname (for submission to the 72<sup>nd</sup> meeting), and Qatar and Thailand (for submission to the 73<sup>rd</sup> meeting), noting the reasons for delays indicated in Table 7 of document UNEP/OzL.Pro/ExCom/71/5;

- b. To send letters to the Governments of Cuba, the Plurinational State of Bolivia, and Saudi Arabia to urge the submission of the next tranches of their MYAs to the 72<sup>nd</sup> meeting, noting that the tranches had been withdrawn from consideration at the 71<sup>st</sup> meeting after discussion with the Fund Secretariat owing to the countries' inability to meet the 20 per cent disbursement threshold for funding and/or insufficient progress in implementation;
  - c. To send a letter to the Government of the Islamic Republic of Iran to revise the third tranche of stage I of the HCFC phase-out management plan (HPMP) and to submit it to the 72<sup>nd</sup> meeting, noting that the tranche had been withdrawn from consideration at the 71<sup>st</sup> meeting after issuance of the documentation in order to resolve an issue related to the revised implementation plan submitted by UNIDO;
- (iii) The Government of Iraq to facilitate the establishment of the accounts and completion of the terms of reference required for the local administration of the HPMP to enable the submission of the next tranche; and
- (c) To urge the Government of Equatorial Guinea to facilitate the travel formalities for the UNEP team to meet with the National Ozone Unit as soon as possible in order to enable the submission of the next tranche of the HPMP.

**(Decision 71/4)**

**(c) Status reports and compliance**

35. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/71/6, Add.1, Corr.1 and Add.1/Corr.1, which together contained thirteen parts.

36. The Executive Committee commenced by considering the issues covered in the first four parts in documents UNEP/OzL.Pro/ExCom/71/6 and Corr.1.

37. The Executive Committee decided:

- (a) To note:
  - (i) The status reports and compliance contained in documents UNEP/OzL.Pro/ExCom/71/6 and Corr.1;
  - (ii) That 80 of the 122 countries that had provided 2012 data had submitted their country programme (CP) implementation reports through the web-based system;
  - (iii) That the Secretariat and the implementing agencies would take established actions according to the Secretariat's assessments and report on implementation delays, notifying governments and implementing agencies as required;
- (b) To request:
  - (i) UNEP to report on the status of the establishment of Botswana's and South Sudan's licensing systems by the 72<sup>nd</sup> meeting;
  - (ii) The Governments of Israel and Spain to provide their implementation delay reports to the 72<sup>nd</sup> meeting;

- (iii) The submission of additional status reports to the 72<sup>nd</sup> meeting on the projects listed in Annex III to the present report, as well as the HCFC phase-out management plan development for Mauritius (MAU/PHA/55/PRP/20) under UNEP implementation;
- (iv) The Secretariat to send letters of possible cancellation in respect of the following projects:

Agency	Code	Project title
UNIDO	LEB/DES/61/PRP/72	Preparation for pilot demonstration project on ODS waste management and disposal
UNIDO	MOZ/FUM/60/TAS/20	Technical assistance for the elimination of controlled uses of methyl bromide in soil fumigation
UNIDO	TUN/FOA/58/PRP/50	Preparation for HCFC phase-out investment activities (polyurethane foam sector)
UNIDO	TUN/PHA/55/PRP/48	Preparation of an HCFC phase-out management plan

- (c) To reinstate at the 71<sup>st</sup> meeting, the following project preparation activities for Costa Rica, Cuba and Paraguay that had been closed as per decision 70/7(b)(iii):

Country	Agency	Code	Project title
Costa Rica	UNDP	COS/PHA/55/PRP/39	Preparation of an HCFC phase-out management plan
Costa Rica	UNDP	COS/REF/57/PRP/41	Preparation for HCFC phase-out investment activities (refrigeration manufacturing sector)
Cuba	UNDP	CUB/FOA/57/PRP/41	Preparation for HCFC phase-out investment activities (foam sector)
Cuba	UNDP	CUB/PHA/56/PRP/40	Preparation of an HCFC phase-out management plan
Cuba	UNDP	CUB/REF/58/PRP/42	Preparation for HCFC phase-out investment activities (manufacturing sector)
Paraguay	UNDP	PAR/FOA/57/PRP/21	Preparation for HCFC phase-out investment activities (foam sector)
Paraguay	UNDP	PAR/PHA/57/PRP/22	Preparation of an HCFC phase-out management plan (additional funding)

**(Decision 71/5)**

38. The Executive Committee then addressed the issues covered in the remaining nine parts in documents UNEP/OzL.Pro/ExCom/71/6/Add.1 and Add.1/Corr.1.

Extension of institutional strengthening project (phase III) in Haiti

39. The Executive Committee decided:

- (a) To note the report on the extension of the institutional strengthening (IS) project (phase III) in Haiti submitted as per decision 70/4(b)(iv); and
- (b) To request the submission of an update to the 72<sup>nd</sup> meeting on the clearance of the technical and financial report and the signing of the new IS agreement for Haiti to enable the release of the balance of the funds.

**(Decision 71/6)**

Methyl bromide project in Guatemala

40. Following the introduction of the project by the representative of the Secretariat, several members expressed their regret at the Government of Guatemala's inability to meet its MB phase-out commitments in 2012, in accordance with its Agreement with the Executive Committee, while noting its willingness to return the associated funds and acknowledging its revised commitment to phase out MB consumption completely by 1 January 2015. In response to a request for more details on how the Government of Guatemala proposed to implement the project without those funds, the representative of UNIDO explained that some equipment had already been delivered, and that users which had exceeded their maximum allowable level would be required to contribute to the installation of that equipment so that compliance could be achieved by 1 January 2015. It was suggested that an operational licensing system was a hurdle to be addressed in order to achieve phase-out, but it was also pointed out that using the new technology was also a major challenge; the issue was far more complex and must go beyond the question of licensing if sustainable alternatives were to be introduced.

41. In response to an additional query, the representative of UNIDO said that he could not confirm that consumption for 2013 and 2014 would be within the limit allowed under the Agreement, but that the aim was to ensure that from 1 January 2015 onwards, no MB would be imported into the country.

42. After informal discussions in the margins of the meeting, the Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the methyl bromide (MB) phase-out project in Guatemala submitted by UNIDO on behalf of the Government of Guatemala, contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1;
  - (ii) With concern the deviation of the MB consumption from the 2012 target established in the agreed conditions for the phase-out of MB in Guatemala and the potential deviation in consumption for the years 2013 and 2014;
  - (iii) That the Government of Guatemala agreed to return US \$265,300 to the Multilateral Fund from the funds approved in accordance with the agreed conditions made at the 59<sup>th</sup> meeting, consisting of US \$210,000, plus agency support costs of US \$15,750 for UNIDO, and US \$35,000, plus agency support costs of US \$4,550 for UNEP, by the 72<sup>nd</sup> meeting;

- (iv) That the Government of Guatemala had established an enforceable licensing system allowing for the control of all ozone-depleting substances, including controlled uses of MB, and had committed to phasing out all controlled uses of MB completely by 1 January 2015 instead of 1 January 2013; and
- (b) To request UNIDO and UNEP to submit:
  - (i) A progress report to the 73<sup>rd</sup> meeting on the ban on the import of controlled uses of MB as of 1 January 2015 and the actions undertaken to ascertain the long-term sustainability of the alternative technologies; and
  - (ii) The project completion report no later than the last meeting of the Executive Committee in 2015.

**(Decision 71/7)**

Progress on the national CFC phase-out management plan in the Philippines

43. Following the introduction by the representative of the Secretariat, the Executive Committee decided:

- (a) To note the progress report submitted by UNEP for the national CFC phase-out plan (NPP) work plan for the Philippines covering the period April 2012-October 2013 contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1; and
- (b) To request UNEP to submit to the 72<sup>nd</sup> meeting a financial report on the NPP as of 31 December 2013 and to return the remaining funds to the Multilateral Fund at that meeting.

**(Decision 71/8)**

CTC phase-out in process agent applications (phase II) in China

44. A representative of the Secretariat reported that the phase-out targets contained in the process agent sector plan had been achieved and that the sector plan had been operationally completed. She indicated that the Government of China had put in place a licensing system, a quota system and an ODS production and consumption monitoring mechanism to enable it to sustain CTC phase-out in future years.

45. Appreciation was expressed of the persistence shown by the Government of China and the World Bank in implementation of the process agent sector plan.

46. The Executive Committee decided:

- (a) To note the verification report on the sector plan to phase out CTC in process agent applications (phase II) in China contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1; and
- (b) To request the World Bank to submit the project completion report to the 72<sup>nd</sup> meeting in accordance with decision 68/4.

**(Decision 71/9)**

Progress report on the implementation of chiller projects

47. The representative of the Secretariat drew members' attention to the related amendments contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1/Corr.1.

48. In the course of a discussion on the lack of information on energy efficiency, it was emphasized that energy efficiency information was fundamental and the implementing agencies should be collecting it and including it in their project completion reports, together with information on choice of technology.

49. In response to a request for clarification on the disproportionately high cost of individual chillers in Brazil and Colombia, the representative of UNDP indicated that in Brazil the chillers were just one component of a large project related to energy efficiency that had major counterpart funding from various national and international sources, whilst in Colombia, two chillers had been replaced by a district cooling system that could not be directly compared to the replaced chillers.

50. The representative of the World Bank, responding to a question regarding GEF's refusal to approve co-funding for Indonesia's part of a global chiller replacement project, said that after some nine months of discussion aimed at finding flexibility and common ground, GEF had indicated in a letter that it had decided not to endorse the project based on a Council member's objection to the technology likely to be used.

51. The Executive Committee decided:

- (a) To note the report on chiller projects submitted by UNDP, UNIDO and the World Bank contained in documents UNEP/OzL.Pro/ExCom/71/6/Add.1 and Corr.1;
- (b) To request UNIDO:
  - (i) To financially complete the ODS phase-out project for 50 existing centrifugal chiller units in Côte d'Ivoire, approved at the 37<sup>th</sup> meeting for the Government of France and transferred to UNIDO at the 51<sup>st</sup> meeting by the end of 2013, and to return the remaining balances to the 72<sup>nd</sup> meeting, while noting that a number of CFC chillers had been replaced by the country without assistance from the Multilateral Fund;
  - (ii) To financially complete the regional European demonstration project on the replacement of CFC centrifugal chillers in Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Romania, and Serbia approved at the 47<sup>th</sup> meeting, no later than the last meeting in 2014, to return any remaining balances no later than the last meeting in 2014, and to submit the project completion report (PCR) no later than the first meeting in 2015;
  - (iii) To financially complete the demonstration project on the replacement of CFC centrifugal chillers in the Syrian Arab Republic approved at the 47<sup>th</sup> meeting, by the end of 2013, to return any remaining balances to the 72<sup>nd</sup> meeting, and to submit the PCR no later than the 73<sup>rd</sup> meeting;
- (c) To request UNDP:
  - (i) With regard to the demonstration project for integrated management of the centrifugal chiller sub-sector, focusing on application of energy efficient CFC-free technologies for replacement of CFC-based chillers in Brazil, approved at the 47<sup>th</sup> meeting:

- a. To submit annual progress reports on the status of implementation in line with decision 68/8(c);
  - b. To financially complete the project and return any remaining balances no later than the last meeting in 2017;
  - c. To submit the PCR no later than the first meeting in 2018;
- (ii) With regard to the demonstration project for integrated management of the centrifugal chiller sub-sector, focusing on application of energy efficient CFC-free technologies for replacement of CFC-based chillers in Colombia, approved at the 47<sup>th</sup> meeting:
- a. To submit annual progress reports on the status of implementation in line with decision 68/8(c);
  - b. To financially complete the project and return any remaining balances no later than the last meeting in 2017;
  - c. To submit the PCR no later than the first meeting in 2018;
- (d) With regard to the strategic demonstration project for accelerated conversion of CFC chillers in five African countries (Cameroon, Egypt, Namibia, Nigeria and Sudan), approved at the 48<sup>th</sup> meeting, for implementation by the Governments of France, Germany and Japan and UNIDO:
- (i) To request UNIDO and the Government of Germany to financially complete the project and return any remaining balances no later than the last meeting in 2014;
  - (ii) To request the Governments of France and Japan to return any remaining balances no later than the first meeting in 2015;
  - (iii) To request the Governments of France, Germany and Japan, and UNIDO to submit the PCR no later than the first meeting in 2015;
- (e) To note the return to the 71<sup>st</sup> meeting of US \$3,149,056 by the World Bank from activities under the global chiller replacement project approved at the 47<sup>th</sup> meeting as per decision 71/3(a)(ii);
- (f) To request the World Bank:
- (i) To continue implementing the global chiller replacement project in Argentina, India and the Philippines;
  - (ii) To submit annual progress reports on the status of implementation in line with decision 68/8(c);
  - (iii) To financially complete the project and return any remaining balances no later than the last meeting in 2017;
  - (iv) To submit the PCR no later than the first meeting in 2018; and

- (g) To request all relevant bilateral and implementing agencies to include in their respective project completion reports information on the technology chosen, as well as on energy efficiency and energy efficiency gains achieved.

**(Decision 71/10)**

Delays in the completion of CFC, CTC and halon projects

52. The representative of the Secretariat introduced the report on the completion of the ongoing CFC, CTC and halon projects approved after 2009. Following a review of information provided by the implementing agencies regarding the ongoing projects, the agencies had been asked to provide reasons why the projects should be extended beyond their planned completion dates (the latest such date being 2013 for 59 of the 64 ongoing projects). The implementing agencies had proposed changes to the completion dates for some projects, providing reasons with which the Secretariat agreed, as reflected in the Secretariat's recommendations to the Executive Committee.

53. Following the presentation, the Executive Committee decided:

- (a) To note the report on the completion of CFC, CTC and halon projects approved after 2009 and beyond as contained in documents UNEP/OzL.Pro/ExCom/71/6/Add.1 and Corr.1;
- (b) That the relevant bilateral and implementing agencies should not incur any new commitments for projects listed in Annex IV to the present report after the final date of completion; return any unused balances from those projects as soon as possible but no later than the end of 2014; and submit project completion reports no later than the last meeting in 2014; and
- (c) That the project "Development of a guide for sustainable refrigerated facilities and systems, in cooperation with the American Society of Heating, Refrigeration and Air-Conditioning Engineers (ASHRAE)" (GLO/SEV/66/TAS/314), implemented by UNEP with the completion date in 2014, should be considered operationally completed as at the planned completion date, and that UNEP return any unused balances from this project as soon as possible but no later than twelve months after the date of completion.

**(Decision 71/11)**

Financial audit report from China on the CFC production, halon and CTC sector plans

54. The representative of the Secretariat introduced the issues linked to the financial audit report from China on the CFC production, halon and CTC sector plans. The balance of funds disbursed by the World Bank but held by China was US \$28,297,298 at the end of 2012, even though budgets for the remaining balances had been approved 4.5 years previously. The audit report from China also indicated that interest of US \$1,978,838 had been generated as at the end of 2012. That amount should be offset against future approvals and reported in the Accounts of the Fund in line with decision 70/20 (c) and (d).

55. Following the presentation, the World Bank sought clarification on the Secretariat's recommendations to the Executive Committee and explained that the World Bank might have difficulty complying with certain requests therein as it was not the sole agency implementing all the sector plans in China, and because some of the requests involved obtaining information from the country before reviewing it and submitting it to the Executive Committee.

56. Some members felt that the Secretariat should engage in bilateral discussions with the Government of China and the World Bank to ensure that the wording of the decision reflected the aim of the proposed decision, namely, to obtain relevant information on financial disbursements, balances and offsetting balances from the various sector plans for future approvals in China. After hearing a report on the work of the drafting group, members felt that a contact group should address the work of the drafting group.

57. Following a report of the contact group, the Executive Committee decided:

- (a) To note the financial audit report submitted by the Government of China through the World Bank pursuant to decision 56/13 contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1;
- (b) To invite the Government of China to provide:
  - (i) Through the World Bank, a report to the 72<sup>nd</sup> meeting explaining why the 2012 audit report indicated balances higher than the budgets approved at the 56<sup>th</sup> and 57<sup>th</sup> meetings for the halon and polyurethane foam sectors, and information on the resolution of the legal issue identified in the verification report to the 65<sup>th</sup> meeting with respect to the transportation of recovered halons to halon banks for recovery and recycling requested by decision 65/10(i)(ii);
  - (ii) Through the relevant implementing agency, in future financial audit reports per decision 56/13, data on all funds from the Multilateral Fund that were being held by the Government of China for disbursement to final beneficiaries, and the interest accrued from those balances held by the Government of China, including data on the process agent II sector plan, the solvent sector plan and the refrigeration servicing plan;
  - (iii) Comprehensive information on progress related to the work plans for the sector plans and its proposal on how to use potential balances for the consideration of the Executive Committee at the 72<sup>nd</sup> meeting; and
- (c) To request the Secretariat to prepare a document for submission to the 72<sup>nd</sup> meeting, including all relevant information to allow the Executive Committee to continue considering China's plans to use the balances held for all sector plans.

**(Decision 71/12)**

Resource mobilization for climate co-benefits

58. The representative of the Secretariat presented the findings of two reports prepared by UNDP and the World Bank on the results of resource mobilization activities undertaken with funds approved at the 63<sup>rd</sup> meeting.

59. Following the introduction, a number of members highlighted the lessons that could be drawn from the resource mobilization examples given in the reports, pointing to the benefits for both ODS phase-out and increased energy efficiency. Further discussion of the matter would be welcome, as would further results from other demonstration projects. In response to questions from members of the Executive Committee, the representatives of UNDP and the World Bank explained that they applied the lessons learned from the process of resource mobilization to subsequent projects. The Green Development Initiative was also mentioned as a promising source of ideas for resource mobilization. The possibility of leveraging significant funds through well executed resource mobilization was highlighted as a matter that merited closer attention.

60. Following the discussion, the Executive Committee noted the final reports on resource mobilization for climate co-benefits submitted by UNDP and by the World Bank, contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1.

HCFC demonstration projects

61. The representative of the Secretariat presented progress reports submitted by UNDP and UNIDO on four pilot projects to demonstrate HCFC alternative technologies in several refrigeration and air-conditioning subsectors in China and the final report on the pilot project to demonstrate the use of super-critical CO<sub>2</sub> technology for polyurethane spray foams in Colombia, submitted by the Government of Japan.

Demonstration sub-project for conversion from HCFC-22 to propane at Midea Room Air Conditioner Manufacturer Company in China

62. The Executive Committee decided:

- (a) To note the interim report on the demonstration sub-project for conversion from HCFC-22 to propane at Midea Room Air Conditioner Manufacturer Company in China by UNIDO, contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1; and
- (b) To request UNIDO to submit a final report to the 73<sup>rd</sup> meeting, on the understanding that it would only contain preliminary data on incremental operating costs.

**(Decision 71/13)**

Demonstration sub-project for conversion of room air-conditioning compressor manufacturing from HCFC-22 to propane at Guangdong Meizhi Co., in China

63. The Executive Committee decided:

- (a) To note the interim report on the demonstration sub-project for conversion of room air-conditioning compressor manufacturing from HCFC-22 to propane at Guangdong Meizhi Co., in China by UNIDO, contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1; and
- (b) To request UNIDO to submit the final report to the 73<sup>rd</sup> meeting.

**(Decision 71/14)**

Demonstration project for HFC-32 technology in the manufacture of small-sized commercial air-source chillers/heat pumps at Tsinghua Tong Fang Artificial Environment Co. Ltd., in China

64. The Executive Committee decided:

- (a) To note the interim report on the demonstration project for HFC-32 technology in the manufacture of small-sized commercial air-source chillers/heat pumps at Tsinghua Tong Fang Artificial Environment Co. Ltd., in China by UNDP, contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1; and
- (b) To request UNDP to submit a final report to the 72<sup>nd</sup> meeting, on the understanding that it would only contain preliminary data on incremental operating costs.

**(Decision 71/15)**

Demonstration project for conversion from HCFC-22 technology to ammonia/CO<sub>2</sub> technology in the manufacture of two-stage refrigeration systems for cold storage and freezing applications at Yantai Moon Ltd., in China

65. The Executive Committee decided:

- (a) To note the interim report on the demonstration project for conversion from HCFC-22 technology to ammonia/CO<sub>2</sub> technology in the manufacture of two-stage refrigeration systems for cold storage and freezing applications at Yantai Moon Ltd., in China by UNDP, contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1; and
- (b) To request UNDP to submit a final report to the 72<sup>nd</sup> meeting, on the understanding that it would only contain preliminary data on incremental operating costs.

**(Decision 71/16)**

Demonstration project to validate the use in Colombia of super-critical CO<sub>2</sub> technology for polyurethane spray foams

66. The Executive Committee decided:

- (a) To note with appreciation the report entitled “Assessment of the use in Colombia of super-critical CO<sub>2</sub> technology for polyurethane spray foam”, submitted by UNDP on behalf of the Government of Japan, contained in document UNEP/OzL.Pro/ExCom/71/6/Add.1; and
- (b) To request bilateral and implementing agencies to share the assessment report on super-critical CO<sub>2</sub>, together with information on other alternatives, when assisting Article 5 countries in preparing projects for the phase-out of HCFC-141b in polyurethane spray foam applications.

**(Decision 71/17)**

**AGENDA ITEM 6: 2014-2016 BUSINESS PLANS**

**(a) Consolidated business plan of the Multilateral Fund**

67. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/7, addressing some of the issues raised therein.

68. Updating the Committee on the issue of possible overlaps in business plans for projects implemented by more than one agency, he said that following the decision by the Government of Italy to withdraw the activities in the refrigeration servicing sector in the HPMP for Bosnia and Herzegovina from its business plan, there was no longer an issue.

69. In the ensuing discussion, several members said that they could support the recommendations made by the Secretariat on the basis that approval of the business plan did not denote approval of the activities therein or of the associated levels of funding. A number of concerns were nonetheless raised, particularly with regard to the over-programming, especially the high level of funding associated with stage II of HPMPs and the production sector, as well as the overlap between stage I and stage II in 2016 for the production sector. Some members said that they required more information on certain of the proposals for activities not required for compliance before being in a position to decide whether to remove them from the business plan or to maintain them. One member suggested further discussion on how to prioritize such projects.

70. In response to the recommendation that future business plans include a distribution of tonnage for HPMPs according to the cost-effectiveness of the overall HPMP agreement, the representative of the Secretariat explained that in certain business plans there had been monetary values without a corresponding phase-out tonnage, which had led to the calculation of cost-effectiveness being infinity. This distorted the overall figures of tonnage associated with HPMPs implemented under the Multilateral Fund.

71. The Executive Committee decided:

- (a) To note the consolidated 2014-2016 business plan of the Multilateral Fund contained in document UNEP/OzL.Pro/ExCom/71/7;
- (b) To add to the 2014 business plans those multi-year agreement and institutional strengthening activities from the 2013 business plans that had not been submitted or not approved at the 71<sup>st</sup> meeting;
- (c) To remove activities in the refrigeration servicing sector in Bosnia and Herzegovina from Italy's business plan;
- (d) To request bilateral and implementing agencies:
  - (i) To submit stage I HCFC phase-out management plan (HPMP) activities for Botswana not included in the business plans;
  - (ii) In future business plans:
    - a. To provide a distribution of tonnage for HPMPs according to the cost-effectiveness of the overall HPMP agreement;
    - b. To indicate project funding requirements based on the estimated tonnage required to achieve the next scheduled reduction;
    - c. To indicate those countries for which business plan entries represented a 100 per cent phase-out in accordance with decision 62/10; and
- (e) To endorse the consolidated 2014-2016 business plan of the Multilateral Fund, as adjusted by the Secretariat and the Executive Committee, while noting that endorsement denoted neither approval of the projects identified therein nor their funding or tonnage levels.

**(Decision 71/18)**

**(b) Business plans of the bilateral and implementing agencies**

**(i) Bilateral agencies**

72. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/8, explaining that three bilateral agencies (Germany, Italy and Japan) had submitted business plans in tabular form. Although France had not submitted a business plan, the document included a table showing the allocation of resources for France based on MYA activities associated with HPMPs approved in principle. He informed the Committee that, after the Secretariat's adjustments, the activities in Germany's bilateral business plan for 2014, plus the approvals to date, were less than 20 per cent of the country's contribution to the Fund.

73. The Executive Committee decided to take note of the 2014-2016 business plans of bilateral agencies submitted by Germany, Italy and Japan, as addressed in document UNEP/OzL.Pro/ExCom/71/8.

**(Decision 71/19)**

**(ii) UNDP**

74. The representative of UNDP introduced document UNEP/OzL.Pro/ExCom/71/9.

75. With regard to the proposal to reinstate in the business plan an activity to map ODS alternatives, some members thought that the exercise would provide useful information to help countries with stage II of their HPMPs; others suggested that it should already be undertaken as part of the agencies' preparation of stage II of the HPMPs and was, therefore, a duplication. One member was not in favour of the project because it was not needed for compliance; another suggested that the Committee discuss how activities not required for compliance should be dealt with in the future.

76. Although the countries that would be involved in the project were deemed by members to be fairly representative of the broad range of situations faced by Article 5 countries, the representative of UNDP explained that the countries had not been chosen on that basis. They were simply those that had shown interest in the exercise. Additional countries could still be included. This sparked discussion of the need to ensure regional balance in order to capture the specificities of the various geographical conditions and of the number of countries that should be involved. One member said that, if a large number of countries were to take part, then the matter might be better addressed during the discussions on the draft guidelines for funding the preparation of stage II of HPMPs under Agenda item 9. Another member said that he was in favour of the project as long as it also dealt with not-in-kind alternatives.

77. The representative of UNDP said that the project would be particularly useful as it would involve consideration of a broad range of enterprises, including non-eligible and multinational companies, not just those receiving funds from the Multilateral Fund.

78. Following an informal discussion on the issues among interested Committee members, during which there was no consensus on reinstating the ODS mapping activity in the business plan, the Executive Committee decided:

- (a) To note the 2014-2016 business plan of UNDP contained in document UNEP/OzL.Pro/ExCom/71/9;
- (b) To urge UNDP to submit the HCFC phase-out management plan for Mauritania as soon as possible in light of the ongoing audit of United Nations activities in the country; and
- (c) To approve the performance indicators for UNDP set out in Annex V to the present report.

**(Decision 71/20)**

**(iii) UNEP**

79. The representative of UNEP introduced document UNEP/OzL.Pro/ExCom/71/10.

80. In response to a question on cooperation between UNEP and UNIDO, the representative of UNEP said that UNEP had cooperated with UNIDO on the implementation of HPMP projects and a project for countries with high ambient temperatures and that the two agencies had hosted a joint meeting on the implementation of HPMPs in Sub-Saharan African countries at UNIDO's headquarters in Vienna from 26 to 29 November 2013.

81. The Executive Committee decided:

(a) To note:

(i) The 2014-2016 business plan of UNEP contained in document UNEP/OzL.Pro/ExCom/71/10;

(ii) That stage II of HCFC phase-out management plans for low-volume-consuming (LVC) and non-LVC countries for which UNEP was the lead agency for stage I could increase the total business plan value (including values after 2020) by US \$11,400,500 and US \$6,737,826, respectively; and

(b) To approve the performance indicators for UNEP set out in Tables 1 and 2 contained in Annex VI to the present report.

**(Decision 71/21)**

**(iv) UNIDO**

82. The representative of UNIDO introduced document UNEP/OzL.Pro/ExCom/71/11.

83. In response to a question as to why there had been no reference to cooperation between UNEP and UNIDO in UNIDO's business plan, the representative of UNIDO explained that its business plan presented a programme for future work and thus did not make reference to such already established projects as the joint activities of UNIDO and UNEP in countries with high ambient temperature.

84. Questions were raised concerning the inclusion of demonstration projects for alternatives to MB for quarantine and pre-shipment applications in the business plan. It was pointed out that such demonstration projects had been removed from the business plan the previous year and that the use of MB in such applications was exempt from the compliance obligations. The issue was already being considered by other bodies such as the Methyl Bromide Technical Options Committee and it was suggested that it be addressed under the International Plant Protection Convention as well.

85. The representative of UNIDO said that a number of factors made the demonstration projects timely. UNIDO had developed a budget for pilot projects to demonstrate the effectiveness of alternatives to MB for quarantine and pre-shipment applications and the Methyl Bromide Technical Options Committee had estimated that between 31 to 40 per cent of the MB being used could be replaced by alternatives.

86. The representative of the Secretariat explained that phase-out activities involving swing plants had been removed from the business plan pursuant to decision 66/5(a)(v), according to which requests for such activities could be reintroduced into the business plans of the implementing agencies, as appropriate, after the Executive Committee had agreed on the HCFC production sector guidelines.

87. One member said that while he understood the explanation provided by the Secretariat it was his view that the Sub-group on the Production Sector should continue to discuss the eligibility of phase-out activities for swing plants.

88. UNIDO indicated that since ODS destruction projects for Algeria and Lebanon in the 2013 business plans were not submitted in 2013, they should be added to its business plan in 2014.

89. The Executive Committee decided:

- (a) To note the 2014-2016 business plan of UNIDO contained in document UNEP/OzL.Pro/ExCom/71/11;
- (b) To add the ODS destruction projects for Algeria and Lebanon in UNIDO's business plan for 2014; and
- (c) To approve the performance indicators for UNIDO set out in Annex VII to the present report.

**(Decision 71/22)**

**(v) World Bank**

90. The representative of the World Bank introduced document UNEP/OzL.Pro/ExCom/71/12.

91. Several members questioned both the projected start date for stage II for the HCFC production sector in China as it overlapped with the end of stage I, and the value of the project preparation activity foreseen for 2015. It was also suggested that the amount of funding provided for stage II might need to be lowered as the level of funding indicated in the business plan was higher than the pro-rata share of the maximum amount remaining in the Agreement. Given those considerations, it was suggested that further discussion of the issue continue in the Sub-group on the Production Sector.

92. The facilitator of the Sub-group on the Production Sector reported that the Sub-group had recommended that the allocation related to the preparation of stage II of the HCFC production phase-out management plan (HPPMP) for China should be removed from the World Bank's business plan for 2014-2016, on the understanding that it could be reinstated at a later date for consideration by the Executive Committee, and that the allocation for implementation of stage II of the HPPMP for China should also be removed from that business plan, while noting that in 2016 China might decide to submit a proposal for stage II of the HPPMP to commence in 2017.

93. The Executive Committee decided:

- (a) To note the 2014-2016 business plan of the World Bank contained in document UNEP/OzL.Pro/ExCom/71/12;
- (b) To remove the allocation related to the preparation of stage II of the HCFC production phase-out management plan (HPPMP) for China from the World Bank's business plan for 2014-2016 on the understanding that it could be reinstated at a later date for consideration by the Executive Committee;
- (c) To remove the allocation for stage II of HPPMP implementation for the year 2016 in the World Bank's 2014-2016 business plan, noting that China might decide to submit a proposal in 2016 for stage II of the HPPMP to commence in 2017; and
- (d) To approve the performance indicators for the World Bank set out in Annex VIII to the present report.

**(Decision 71/23)**

## **AGENDA ITEM 7: PROGRAMME IMPLEMENTATION**

### **(a) Monitoring and evaluation:**

#### **(i) 2013 consolidated project completion report**

94. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/71/13.

95. The Executive Committee decided:

- (a) To take note of the 2013 consolidated Project Completion Report (PCR) contained in document UNEP/OzL.Pro/ExCom/71/13, including the schedule for submission of PCRs due and the lessons learned;
- (b) To request the bilateral and implementing agencies concerned:
  - (i) To establish by the end of January 2014, in cooperation with the Secretariat, full consistency of data reported in the PCRs in the Inventory of approved projects and in the annual progress reports;
  - (ii) To provide to the Secretariat by the end of January 2014 the information still missing in a number of PCRs;
  - (iii) To clear by the end of January 2014 the backlog of PCRs on projects completed before the end of 2006; and
- (c) To invite all those involved in the preparation and implementation of projects to take into consideration the lessons learned from PCRs when preparing and implementing future projects.

**(Decision 71/24)**

#### **(ii) Desk study on the evaluation of the preparatory phase of the phasing out of HCFCs**

96. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/71/14.

97. In the ensuing discussion, it was pointed out that the information contained in the body of the report and the compilation were very valuable. Some of the conclusions drawn were questioned, however, and some members felt that the existing guidelines did not reflect the realities of LVC countries. The need for simple, clear guidelines for the preparation of stage II of HPMPs was stressed.

98. The Executive Committee decided to note the desk study on the evaluation of the preparatory phase of the phasing-out of HCFCs and its recommendations contained in document UNEP/OzL.Pro/ExCom/71/14.

**(Decision 71/25)**

#### **(iii) Evaluation of metered-dose inhaler projects**

99. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/71/15. In response to a request for clarification, she explained that, although the report was to have included six countries, she had been unable to obtain security clearance for Egypt and

agreement on an acceptable date for a visit to India within a reasonable timeframe. She suggested that the current report be considered an interim report, while she could maintain the original sample size by identifying two additional countries for evaluation, and submit a final report to the 72<sup>nd</sup> meeting.

100. After a discussion, the Executive Committee decided:

- (a) To note the report on the evaluation of projects for the conversion of CFC based metered dose inhalers (MDI) to non-CFC technologies, contained in document UNEP/OzL.Pro/ExCom/71/15, as an interim report; and
- (b) To request the Senior Monitoring and Evaluation Officer to visit two additional countries and to submit a final report, with, *inter alia*, an analysis of the technology issues surrounding the conversion to alternative technologies, the conclusions and lessons learned, to the Executive Committee at its 72<sup>nd</sup> meeting.

**(Decision 71/26)**

**(iv) Draft monitoring and evaluation work programme for the year 2014**

101. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/71/15.

102. Reservations were expressed regarding both the proposed evaluation of MB projects in Latin America and the Caribbean and the proposed evaluation of training in the refrigeration servicing sector. It was suggested that the two evaluations fell outside the scope of the Senior Monitoring and Evaluation Officer's work, which was to evaluate the work procedures and guidelines provided by the Executive Committee, as well as the effectiveness of projects in achieving the Fund's and projects' objectives. There were also objections to the regional scale of the proposed MB evaluation as MB was a global issue. Suggestions were made for alternative evaluation studies, including a desk study and an evaluation of projects to phase out CFCs in the foam sector and a review of Fund procedures for monitoring and assessing progress.

103. Following informal discussions, the Senior Monitoring and Evaluation Officer invited the members of the Executive Committee to submit additional suggestions for alternative evaluations, which could be submitted until 15 January 2014. She would then prepare terms of reference for the suggested evaluations and present them to the 72<sup>nd</sup> meeting. In the interim, she would continue with ongoing activities, complete the evaluation of the projects for the conversion of CFC-based MDIs, and perform routine evaluation activities in preparation for the 72<sup>nd</sup> meeting.

104. The Executive Committee decided:

- (a) To note the draft monitoring and evaluation work programme for the year 2014 contained in document UNEP/OzL.Pro/ExCom/71/15;
- (b) To request the Senior Monitoring and Evaluation Officer:
  - (i) To prepare a revised monitoring and evaluation work programme for the year 2014, taking into account the specific suggestions made at the present meeting and any additional suggestions for further study from Executive Committee members to be submitted to the Secretariat before 15 January 2014; and

- (ii) To present the revised work programme for the year 2014 to the Executive Committee at its 72<sup>nd</sup> meeting.

**(Decision 71/27)**

**(b) Performance indicators (decision 70/14)**

105. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/17 and revised proposals for the performance indicators that had been developed in consultation with the implementing agencies. Clarification was sought regarding the weighting of the indicator for activities related to project completion and the indicator for funds being disbursed. The representative of the Secretariat explained that each progress report estimated the funding to be disbursed in the following reporting period so that it was possible to compare that estimate against the funds actually disbursed. He also explained that the indicator for project completion was based on the completion dates for each tranche, and that those dates were set by the implementing agencies and were reported in their progress reports. While the weighting of the indicators had been adjusted so that they were now comparable, several members asked for an additional adjustment to the weighting being proposed.

106. The Executive Committee decided:

- (a) To note the report on performance indicators contained in document UNEP/OzL.Pro/ExCom/71/17; and
- (b) To modify the performance indicators established in decision 41/93, as modified by decision 47/51, as follows:

Type of Indicator	Short title	Calculation	Weighting
Planning--Approval	Tranches approved	Number of tranches approved vs. those planned*	10
Planning--Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)**	10
	<b>Sub-total</b>		<b>20</b>
Implementation	Funds disbursed	Based on estimated disbursement in progress report	15
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	25
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	20
	<b>Sub-total</b>		<b>60</b>
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	10
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	5
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	5
	<b>Sub-total</b>		<b>20</b>
	<b>Total</b>		<b>100</b>

\* The target of an agency would be reduced if it could not submit a tranche owing to another cooperating or lead agency, if agreed by that agency.

\*\* Project preparation should not be assessed if the Executive Committee has not taken a decision on its funding.

**(Decision 71/28)**

**AGENDA ITEM 8: PROJECT PROPOSALS****(a) Overview of issues identified during project review**

107. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/18, which contained: an analysis of projects and activities submitted to the present meeting; the list of projects and activities submitted for blanket approval; and the list of investment projects submitted for individual consideration. Since issuing the documentation, three more projects had been withdrawn: a pilot demonstration project for ODS waste management and disposal and project preparation for MB both for Algeria by UNIDO, and the third tranche of stage I of the HPMP for the Islamic Republic of Iran by UNDP.

108. While no new policy issues had been identified during the project review process, the Secretariat had identified barriers to the introduction of low-GWP technologies, particularly in the refrigeration and air-conditioning sectors. In response to a question on the barriers to the introduction of low-GWP technologies, the representative of the Secretariat explained that most of the alternatives in question were flammable. The substances currently used had been in use for some 50 years and many of the industrial codes and standards in place had never contemplated the use of flammable alternatives so existing regulations might prevent or constrain their use. If introduced, those alternatives also had to be serviced and that would involve additional challenges that did not exist when non-flammable alternatives were used. In providing that information, the Secretariat wanted to ensure that the Executive Committee was aware of the different barriers to be addressed when introducing alternatives in new refrigeration and air-conditioning equipment.

*Fund disbursement threshold for tranches of HCFC phase-out management plans*

109. It was recalled that the main reason for tranche submission delays was the failure to meet the required 20 per cent disbursement threshold for the previous tranche of stage I of the HPMP. It appeared that the Secretariat had been applying that 20 per cent threshold flexibly, which suggested that compliance with the threshold should not be the only element being considered when approving the tranches of funding for stage I of the HPMPs as HCFC phase-out was a more complicated task and involved a number of complex sectors. There was a need for a common understanding on the application of the 20 per cent disbursement threshold by the Secretariat, and several members suggested that the Secretariat be requested to prepare a brief review of its application, as well as other possible elements to be considered when approving tranches of funding, for the consideration of the Executive Committee at its 72<sup>nd</sup> meeting.

110. The Executive Committee decided:

- (a) To confirm that achievement of the 20 per cent disbursement threshold provision should be determined in terms of the level of disbursement to final beneficiaries, where applicable; and
- (b) To request the Secretariat to review the application of the 20 per cent disbursement threshold provision for the 72<sup>nd</sup> meeting with a view to clarifying and ensuring its consistent application, and to enable consideration of alternative options for defining pre-conditions for submission of multi-year tranches.

**(Decision 71/29)**

*List of projects and activities submitted for blanket approval*

111. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex IX to the present report, together with the conditions or provisions included in the corresponding project evaluation documents and the conditions attached to the projects by the Executive Committee, noting that the agreements between the following Governments and the Executive Committee had been updated based on the established HCFC baseline for compliance and/or revised funding levels:
  - (i) The Agreement between the Government of Cameroon and the Executive Committee contained in Annex X to the present report;
  - (ii) The Agreement between the Government of Chile and the Executive Committee contained in Annex XI to the present report;
  - (iii) The Agreement between the Government of the Gambia and the Executive Committee contained in Annex XII to the present report;
  - (iv) The Agreement between the Government of Guinea-Bissau and the Executive Committee contained in Annex XIII to the present report;
  - (v) The Agreement between the Government of Mongolia and the Executive Committee contained in Annex XIV to the present report;
  - (vi) The Agreement between the Government of Serbia and the Executive Committee contained in Annex XV to the present report;
  - (vii) The Agreement between the Government of Turkmenistan and the Executive Committee contained in Annex XVI to the present report;
  - (viii) The Agreement between the Government of Zimbabwe and the Executive Committee contained in Annex XVII to the present report; and
- (b) That for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments contained in Annex XVIII to the present report.

**(Decision 71/30)**

**(b) Bilateral cooperation**

112. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/19 and explained that, following the request by UNIDO to defer the pilot demonstration project on ODS waste management and disposal for Algeria being jointly implemented by a bilateral agency, only five projects for bilateral cooperation, with a value of US \$2,018,036, including support costs, had been submitted to the 71<sup>st</sup> meeting.

113. The Executive Committee decided to request the Treasurer to offset US \$1,927,636 (including agency fees) against the balance of Germany's bilateral contribution for 2014 associated with the project approved at the 71<sup>st</sup> meeting.

**(Decision 71/31)**

**(c) Amendments to work programmes for 2013****(i) UNDP**

114. The Chair reminded the meeting that the funding requests in UNDP's amendments to its 2013 work programme, namely renewal of seven IS projects and three requests for technical assistance described in document UNEP/OzL.Pro/ExCom/71/20, had already been approved under agenda item 8(a) (see paragraph 111 above).

**(ii) UNEP**

115. The Chair reminded the meeting that the funding requests in UNEP's amendments to its 2013 work programme, namely 25 activities including requests for 16 IS renewal projects, and nine requests for technical assistance described in document UNEP/OzL.Pro/ExCom/71/21, had already been approved under agenda item 8(a) (see paragraph 111 above).

**(iii) UNIDO**

116. The Chair reminded the meeting that the funding requests in UNIDO's amendments to its 2013 work programme, namely 10 activities including requests for four IS renewal projects, one project preparation request for the phase-out of MB and four requests for technical assistance as described in document UNEP/OzL.Pro/ExCom/71/22 had already been approved under agenda item 8(a) (see paragraph 111 above). She also said that one of the two activities submitted for individual consideration had been withdrawn by the agency and that the Secretariat had recently received the country programme implementation data for 2012 for Sudan, which was a prerequisite for approving the MB project preparation for that country and therefore the request could be approved.

Sudan: MB project preparation

117. The Executive Committee decided to approve the funds for project preparation for the methyl bromide project for Sudan in the amount of US \$30,000, plus agency support costs of US \$2,100 for UNIDO.

**(Decision 71/32)****(d) UNEP's Compliance Assistance Programme (CAP) budget for 2014**

118. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/23, which contained the proposed 2014 budget for UNEP's CAP. The submission represented a 2 per cent increase in the 2014 CAP budget compared with that approved for 2013.

119. Some members noted the significant changes to the UNEP's CAP budget and requested clarification of a variety of issues.

120. In response, the representative of UNEP explained that ODS destruction had not been included in the list of main challenges facing Article 5 countries in 2014 because the Executive Committee had deemed ODS destruction not to be required for compliance and thus it did not fall within the mandate of UNEP's CAP.

121. She clarified that the budget reallocation from the Regional Office for Latin America and the Caribbean to the Regional Office for Africa and the Regional Office for Asia and the Pacific had been done to reflect changing priorities.

122. In explaining the change in functional titles under the personnel budget lines, she informed the Committee that efforts were being made to ensure harmonization to reflect the tasks and responsibilities of staff members that had altered over time. She gave an update on staff movements and efforts to advertise and fill vacant posts in a variety of budget lines in response to a query about the status of certain vacant posts. She explained the re-prioritization and reinforcement of staffing in the Regional Office for Africa to meet emerging needs. She also explained the changes in the budget for the information clearing house, saying that the budget had not decreased, but had simply been partly transferred to other budget lines to clarify what the funds would be used for.

123. Regarding a question on the adoption of the International Public Sector Accounting Standards (IPSAS), starting in January 2014, she explained that there would be no impact on the return of the balance of CAP funds in future years, but it might lead to a delay in reporting. She further cited an example of two network meetings originally scheduled in 2013 and part of the 2013 budget, but have had to be postponed for 2014 due to unforeseen circumstances. Holding these meetings in early 2014 would imply that funds would have to come from the 2013 budget where it was originally included. The return of the balances from the 2013 CAP budget to the closest meeting of the Executive Committee would therefore reflect that some funds were re-programmed for 2014.

124. Regarding the number of meetings planned for 2014, which was deemed to be rather high, she explained that the CAP operated 10 regional networks, each of which met at least once a year. In addition, they also held thematic meetings on priority topics for the region in question.

125. With respect to UNEP's CAP response to the challenge of assisting countries in introducing low-GWP alternatives, she said that specific thematic meetings had been held in each region and discussions had taken place on providing training for National Ozone Units.

126. The Executive Committee decided:

- (a) To approve the UNEP's Compliance Assistance Programme (CAP) budget for 2014 in the amount of US \$9,338,000, plus agency support costs of 8 per cent, amounting to US \$747,040, as contained in Annex XIX to the present report;
- (b) To request UNEP, in future submissions of the CAP budget to continue:
  - (i) To provide detailed information on the activities for which the global funds would be used;
  - (ii) To extend the prioritization of funding between CAP budget lines so as to accommodate changing priorities, and to provide details on the reallocations made in its budget pursuant to decisions 47/24 and 50/26;
  - (iii) To report on the current staff post levels and to inform the Executive Committee of any changes thereto, particularly in respect of any increased budget allocations; and
- (c) To request UNEP to report to the Executive Committee on the implications of its adoption of the International Public Sector Accounting Standards (IPSAS) in meeting the requirements of decision 35/36(d), requiring the return of the balances of CAP funds, by the 74<sup>th</sup> meeting.

**(Decision 71/33)**

**(e) 2014 core unit costs for UNDP, UNIDO and the World Bank**

127. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/24, drawing attention to the 0.7 per cent increase in core unit costs requested by UNDP and UNIDO, and the World Bank's request for the same budget as that approved in 2013. He highlighted issues with respect to distinguishing project implementation-related costs from administrative costs, using core unit funds as budgets, and staying within established agency norms for exceeding the allocated budget amounts.

128. Following the introduction, one member pointed out that the issues raised by the representative of the Secretariat might better be discussed under agenda item 13 on the Terms of reference for the assessment of the administrative cost regime for the 2015-2017 triennium.

129. The Executive Committee decided:

(a) To note:

(i) The report on 2014 core unit costs for UNDP, UNIDO and the World Bank contained in document UNEP/OzL.Pro/ExCom/71/24;

(ii) With appreciation, that the World Bank's core unit operation was again below its budgeted level and that it would be returning unused balances; and

(b) To approve the requested core unit budgets for UNDP of US \$2,012,442, UNIDO of US \$2,012,442, and the World Bank of US \$1,725,000.

**(Decision 71/34)**

**(f) Investment projects****HPMP tranche requests**

China: HCFC phase-out management plan (stage I, second and third tranches) (UNDP/UNEP/UNIDO/World Bank/Germany/Japan)

130. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/71/30 and Add.1. On behalf of the Government of China, UNDP, UNEP, UNIDO and the World Bank, as the lead implementing agencies for the industrial and commercial refrigeration and air conditioning (ICR) and solvent (UNDP), refrigeration servicing (UNEP), extruded polystyrene (XPS) foam and room air-conditioner manufacturing (RAC) (UNIDO), and polyurethane rigid (PU) foam (World Bank) sectors, had submitted requests for funding for the next tranche of stage I of the HPMP.

131. The review showed that a significant level of implementation of activities from the previous tranche had been achieved, except for the servicing sector. The disbursement from agencies to the Foreign Economic Cooperation Office (FECO) of the Ministry of Environmental Protection had reached 60.3 per cent and from FECO to beneficiary enterprises 20.6 per cent of the previous tranche, with more than 20 per cent disbursement for each sector plan except the servicing sector, where no disbursement of the previous tranche had been reported. The Government of China had confirmed that a licensing and quota system was being enforced, which would ensure compliance with the Montreal Protocol control levels despite consumption in 2012 being 9.5 per cent higher than the HCFC baseline.

132. Members noted the significant progress that had been made, but expressed some concern at the low level of disbursement in previous tranches, which hovered around the 20 per cent required to enable disbursement of the next tranche. They questioned, therefore, whether the funds for the next tranche were really needed. Furthermore, there had been no disbursement at all to final beneficiaries in the PU foam

sector, yet the Secretariat was recommending approval of the next tranche on the basis of 50 per cent disbursement to FECO. Several members questioned whether the 20 per cent disbursement threshold was performing its intended function.

133. Regarding the issue of interest accrued by the Government of China, the representative of the Secretariat explained that interest accrued would be deducted from any funds due to the implementing agencies prior to transfer.

134. A contact group was established to further discuss the matter. Following the report by the convener which included *inter alia* the importance of ensuring that implementing agencies submitted sufficiently detailed information within the required time- frame to support requests for disbursement of future tranches, the Executive Committee decided:

- (a) To note the progress reports on the implementation of the following tranches of stage I of the HCFC phase-out management plan for China: the first tranche of the solvent sector plan; and the second tranches of the extruded polystyrene (XPS) foam sector plan, the polyurethane rigid (PU) foam sector plan, the industrial and commercial refrigeration and air conditioning (ICR) sector plan, the room air-conditioner manufacturing (RAC) sector plan and refrigeration servicing sector plan, including the national enabling programme;
- (b) To approve the third tranche of stage I of the XPS foam sector plan for China and the corresponding 2014 tranche implementation plan, in the amount of US \$3,998,000, plus agency support costs of US \$279,860 for UNIDO, and to request the Treasurer to offset future transfers to UNIDO by US \$11,955, representing interest accrued by the Government of China up to 31 December 2012 on funds previously transferred for the implementation of the XPS foam sector plan, as per decision 69/24;
- (c) To approve, on an exceptional basis, the third tranche of stage I of the PU foam sector plan for China, and the corresponding 2014 tranche implementation plan, in the amount of US \$13,592,000, plus agency support costs of US \$951,440 for the World Bank, on the understanding that funding would be disbursed by the Treasurer to the World Bank only after the Secretariat had accepted as sufficient information provided by the World Bank to the effect that disbursement of 20 per cent or more of the second tranche to final beneficiaries had been achieved;
- (d) To approve the third tranche of stage I of the ICR sector plan for China, and the corresponding 2014-2015 tranche implementation plan, in the amount of US \$8,495,000, plus agency support costs of US \$594,650 for UNDP; and to request the Treasurer to offset future transfers to UNDP by US \$70,627, representing interest accrued by the Government of China up to 31 December 2012 from funds previously transferred for the implementation of the ICR sector plan as per decision 69/24;
- (e) To approve the third tranche of stage I of the RAC sector plan for China, and the corresponding 2014-2015 tranche implementation plans, in the amount of US \$8,495,000, plus agency support costs of US \$594,650 for UNIDO; and to request the Treasurer to offset future transfers to UNIDO by US \$9,513, representing interest accrued by the Government of China up to 31 December 2012 from funds previously transferred for the implementation of the RAC sector plan as per decision 69/24;
- (f) To approve the second tranche of stage I of the solvent sector plan for China, and the corresponding 2014-2015 tranche implementation plan, in the amount of US \$2,000,000, plus agency support costs of US \$140,000 for UNDP; and to request the Treasurer to offset future transfers to UNDP by US \$2,289, representing interest accrued by the

Government of China up to 31 December 2012 on funds previously transferred for the implementation of the solvent sector plan for China as per decision 69/24; and

- (g) To defer consideration of the third tranche of stage I of the refrigeration servicing sector plan and the national enabling programme for China to the 72<sup>nd</sup> meeting.

**(Decision 71/35)**

Croatia: HCFC phase-out management plan (stage I, fourth tranche) (UNIDO/Italy)

135. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/32.

136. The Executive Committee decided:

- (a) To note the progress report on the implementation of the second and third tranches of the HCFC phase-out management plan (HPMP) for Croatia;
- (b) To approve the fourth (and final) tranche of the HPMP for Croatia, and the corresponding 2014 annual implementation plan, in the amount of US \$60,000, plus agency support costs of US \$4,500 for UNIDO; and
- (c) To request UNIDO and the Government of Italy to submit the project completion report of the HPMP for Croatia no later than the 74<sup>th</sup> meeting.

**(Decision 71/36)**

India: HCFC phase-out management plan (stage I, second tranche) (UNDP/UNEP/Germany)

137. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/35.

138. The Executive Committee decided:

- (a) To note the progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan (HPMP) for India;
- (b) To note that the Fund Secretariat had updated Appendix 2-A of the Agreement between the Government of India and the Executive Committee to reflect the change in support costs owing to the new administrative cost regime, and that a new paragraph 16 had been added to indicate that the updated Agreement superseded that reached at the 66<sup>th</sup> meeting, as contained in Annex XX to the present report; and
- (c) To approve the second tranche of stage I of the HPMP for India, and the corresponding 2014-2015 tranche implementation plan, in the amount of US \$8,846,064, consisting of US \$7,000,000, plus agency support costs of US \$490,000 for UNDP, US \$344,640, plus agency support costs of US \$41,910 for UNEP, and US \$869,508, plus agency support costs of US \$100,006 for the Government of Germany.

**(Decision 71/37)**

Indonesia: HCFC phase-out management plan (stage I, second tranche) (UNDP/World Bank)

139. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/36. In response to a request for clarification regarding the level of disbursement, he confirmed that, even without

taking into account the funds disbursed by the World Bank, for which there was a two-stage fund transfer process, disbursement had reached 23 per cent and was hence over the 20 per cent threshold.

140. Responding to a question regarding the delayed implementation of foam component activities approved nearly three years previously, the representative of UNIDO explained that the funds could not be disbursed for those activities as agreement had not yet been reached on a contractual modality.

141. The Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan (HPMP) for Indonesia;
  - (ii) That the Fund Secretariat had updated paragraph 1, Appendices 1-A and 2-A of the Agreement between the Government of Indonesia and the Executive Committee, based on the established HCFC baseline for compliance, and that a new paragraph 17 had been added to indicate that the updated Agreement superseded that reached at the 64<sup>th</sup> meeting, as contained in Annex XXI to the present report;
  - (iii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 403.9 ODP tonnes, calculated using actual consumption of 374.8 ODP tonnes and 433.0 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; and
- (b) To approve the second tranche of stage I of the HPMP for Indonesia, and the corresponding 2014-2015 tranche implementation plan, in the amount of US \$5,313,475, consisting of US \$4,000,000, plus agency support costs of US \$300,000 for UNDP, and US \$942,767, plus agency support costs of US \$70,708 for the World Bank.

**(Decision 71/38)**

Montenegro: HCFC phase-out management plan (stage I, second tranche) (UNIDO)

142. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/42.

143. The Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan (HPMP) for Montenegro;
  - (ii) That the Fund Secretariat had updated paragraph 1, Appendices 1-A and 2-A of the Agreement between the Government of Montenegro and the Executive Committee, based on the established HCFC baseline for compliance and the revised funding level, and that a new paragraph 16 had been added to indicate that the updated Agreement superseded that reached at the 63<sup>rd</sup> meeting, as contained in Annex XXII to the present document;
  - (iii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 0.8 ODP tonnes, calculated using actual consumption of 0.9 ODP tonnes and 0.6 ODP tonnes reported for 2009 and 2010, respectively,

under Article 7 of the Montreal Protocol and that the revised funding level for stage I of the HPMP for Montenegro was US \$404,500, plus agency support costs, in accordance with decision 60/44(f)(xii); and

- (b) To approve the second tranche of stage I of the HPMP for Montenegro, and the corresponding 2014-2015 tranche implementation plan, at the amount of US \$100,000, plus agency support costs of US \$7,500 for UNIDO.

**(Decision 71/39)**

Namibia: HCFC phase-out management plan (second tranche) (Germany)

144. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/43, indicating that consumption for 2011 was above the maximum allowable level in the Agreement because it included ODS consumption used to service foreign-owned ships. She also indicated that the Government of Namibia had provided a letter asserting its commitment to including the use of HCFC-22 for servicing foreign-owned ships in its domestic consumption and to achieving compliance with the accelerated phase-out schedule provided in the Agreement.

145. Following the presentation, concerns were raised about the fact that the commitment by the Government of Namibia to include in its domestic consumption the HCFC-22 used for servicing foreign-owned ships only applied from 2013 onward, and clarification was requested regarding its inclusion in the country's consumption for 2012. It was further pointed out that Namibia had in fact included HCFC-22 use for servicing ships in its domestic consumption up to and including 2011. It seemed that 2012 was the only year for which the use was not included in domestic consumption. Clarification was also sought, and concern was expressed, with regard to the training and incentive programme provided by the bilateral agency. Of particular concern was the possibility that such equipment could be retrofitted to use hydrocarbons as part of a Multilateral Fund activity, in which case the absence of international standards and safety precautions could be problematic.

146. It was proposed that an informal discussion take place among interested parties to clarify outstanding issues. During the informal discussion, Germany as the bilateral agency agreed to modify the work plan for the project to remove any Multilateral Fund funding from retrofits and devote them instead to replacement of HCFC-based equipment. On the matter of accounting for consumption in 2012, it had been determined that, even including the amount used for servicing foreign-owned ships in domestic consumption, consumption in 2012 had been below the target in the Agreement between Namibia and the Executive Committee. It was considered, however, that it was not desirable for countries suddenly to change the way in which they accounted for consumption. Countries should therefore be requested to continue to use the method adopted when establishing their baseline for consumption when calculating consumption throughout the duration of their HPMPs.

147. Following the discussion, the Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the first tranche of the HCFC phase-out management plan (HPMP) for Namibia;
  - (ii) That the Fund Secretariat had updated paragraph 1, Appendices 1-A and 2-A of the Agreement between the Government of Namibia and the Executive Committee, based on the established HCFC baseline for compliance and the original HPMP submission, and that a new paragraph 16 had been added to

indicate that the updated Agreement superseded that reached at the 63<sup>rd</sup> meeting, as contained in Annex XXIII to the present report; and

- (iii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 8.4 ODP tonnes, calculated using actual consumption of 6.0 ODP tonnes and 10.7 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;
  - (iv) That the 2011 consumption reported by the Government of Namibia exceeded the maximum allowable consumption by 1.08 ODP tonnes, as set out in row 1.2 of its Agreement with the Executive Committee, as it included consumption of ODS used for servicing foreign-owned ships;
  - (v) That the Government of Namibia had established a quota system to control the import and export of HCFCs, had committed to meeting the targets in its Agreement with the Executive Committee and had included the consumption of ODS used for servicing foreign-owned ships in its domestic consumption in its annual report under Article 7 of the Montreal Protocol up to and including 2011, affirming that 2012 and subsequent domestic consumption reporting would include ODS used for servicing foreign-owned ships accordingly; and
- (b) To approve the second tranche of the HPMP for Namibia, and the corresponding revised 2014-2017 tranche implementation plan with adjustments to focus the incentive programme only on replacement of HCFC-based equipment and not on retrofits, in the amount of US \$240,000, plus agency support costs of US \$29,067 for the Government of Germany.

**(Decision 71/40)**

Viet Nam: HCFC phase-out management plan (stage I, second tranche) (World Bank)

148. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/52, pointing out that disbursement had reached over 20 per cent for the first tranche, that consumption was lower than the baseline, and that the licensing and quota system was being enforced.

149. Following the presentation, questions were raised regarding the level of detail provided on activities undertaken during the first part of stage I, and the proposed implementation plan for 2014-2015. Of particular concern was the apparent reallocation of funds from HCFC-141b phase-out in the foam sector to HCFC-22 phase-out in the servicing sector. While the Agreement between the country and the Executive Committee included a flexibility clause that made it possible to reallocate up to 30 per cent of funding from the previous tranche, major changes to the HPMP required approval by the Executive Committee. It was therefore important to clarify that the sector change should be considered major.

150. The representative of the World Bank clarified that the amount involved in the refrigeration servicing sector was part of the US \$69,000 disbursed for studies and awareness-raising under the technical assistance component. Subsequent to the clarification, it was noted that the amount involved was not considered major in the financial sense; however, while the flexibility clause allowed transfers between budget lines, it might not pertain to transfers of funds to budget lines that did not exist in the original proposal and were not covered by the Agreement between the country and the Executive Committee, at least not without prior approval by the latter.

151. In response to a question on energy-efficiency-related activities, the representative of the World Bank clarified that those activities were not being funded by the Multilateral Fund and had been included

in the document for information purposes. It was pointed out by the Secretariat that, although there had been a shift in some funding to marginal HCFC-22 phase-out, there had been no negative impact on the original commitment to phase out HCFC-141b.

152. Following the discussion, the Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan (HPMP) for Viet Nam;
  - (ii) That the Fund Secretariat had updated paragraph 2, Appendices 1-A and 2-A of the Agreement between the Government of Viet Nam and the Executive Committee, based on the established HCFC baseline for compliance, and that a new paragraph 15 had been added to indicate that the updated Agreement superseded that reached at the 63<sup>rd</sup> meeting, as contained in Annex XXIV to the present report;
  - (iii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 221.21 ODP tonnes, calculated using actual consumption of 207.5 ODP tonnes and 234.9 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus the average annual consumption of pre-blended polyol in the years 2007 to 2009 of 164.6 ODP tonnes, giving a total of 385.77 ODP tonnes; and
- (b) To approve the second tranche of stage I of the HPMP for Viet Nam and the corresponding 2014-2015 tranche implementation plan, in the amount of US \$5,663,016, plus agency support costs of US \$424,726 for the World Bank.

**(Decision 71/41)**

**AGENDA ITEM 9: DRAFT GUIDELINES FOR FUNDING THE PREPARATION OF STAGE II OF HCFC PHASE-OUT MANAGEMENT PLANS (DECISIONS 66/5 AND 69/22 AND PARAGRAPH 105 OF UNEP/OzL.Pro/ExCom/70/59)**

153. Following the introduction of document UNEP/OzL.Pro/ExCom/71/55 by the representative of the Secretariat, the Chair asked the contact group convened at the 70<sup>th</sup> meeting to discuss the draft guidelines and to report back to plenary later in the meeting.

154. Reporting on the outcome of the discussions, the convener of the contact group informed the members that the group had come to agreement on the issues and had prepared recommendations for the Committee's consideration.

155. The Executive Committee decided:

- (a) To note document UNEP/OzL.Pro/ExCom/71/55 on the draft guidelines for funding the preparation of stage II of HCFC phase-out management plans (HPMPs);
- (b) That, guided by the need to ensure compliance with the control measures of the Montreal Protocol for HCFC phase-out, in particular the 2020 reduction step, and the need to facilitate continuity of implementation of HPMP activities between stages, requests for project preparation funding for stage II of a country's HPMP could be submitted no earlier than two years before the end date of the approved stage I of its HPMP as contained in paragraph 1 of its Agreement with the Executive Committee, unless

otherwise indicated in the decision of the Executive Committee approving stage I of its HPMP;

- (c) To request bilateral and implementing agencies, when submitting a request for project preparation for stage II of an HPMP, to demonstrate that substantial progress in the implementation of stage I of the HPMP had been achieved, and to provide:
  - (i) For the overall stage II strategy:
    - a. An indication of the activities that needed to be undertaken for project preparation, with specific costs clearly identified (i.e. surveys, consultation meetings, etc.);
    - b. A description of the information that needed to be gathered and updated and an explanation of why it had not been included in stage I;
  - (ii) For investment projects in line with decision 56/16:
    - a. The number of enterprises for which funding was being sought;
    - b. If the request was for a sector where project preparation had been approved for stage I but had not been included in the HPMP already submitted, an explanation of why additional funding was required and a list of activities with corresponding costs to support the request;
- (d) To provide project preparation funding for stage II of HPMPs for individual countries up to the following levels:
  - (i) US \$30,000 for Article 5 countries with remaining HCFC consumption eligible for funding of 0 to 5 ODP tonnes;
  - (ii) US \$40,000 for Article 5 countries with remaining HCFC consumption eligible for funding of 5.1 to 10 ODP tonnes;
  - (iii) US \$60,000 for Article 5 countries with remaining HCFC consumption eligible for funding of 10.1 to 50 ODP tonnes;
  - (iv) US \$70,000 for Article 5 countries with remaining HCFC consumption eligible for funding of 50.1 to 100 ODP tonnes;
  - (v) US \$90,000 for Article 5 countries with remaining HCFC consumption eligible for funding of 100.1 to 1,500 ODP tonnes;
  - (vi) To be decided on a case-by-case basis for countries with remaining eligible consumption above 1,500 ODP tonnes.
- (e) To determine and provide funding for the preparation of stage II of any regional HPMPs on a case-by-case basis;
- (f) To provide funding for any Article 5 country with a manufacturing sector using HCFCs that had not been addressed in stage I of their HPMPs, according to the number of manufacturing enterprises to be converted as per decision 56/16(d) and (f), based on their remaining eligible consumption, as follows:

- (i) One enterprise to be converted in a manufacturing sector: US \$30,000;
- (ii) Two enterprises to be converted in a manufacturing sector: US \$60,000;
- (iii) Three to 14 enterprises to be converted in a manufacturing sector: US \$80,000;
- (iv) Fifteen or more enterprises to be converted in a manufacturing sector: US \$150,000; and
- (v) To limit the maximum funding provided for the preparation of the investment component for any country according to the table below:

Remaining eligible consumption (ODP tonnes)	Investment preparation limit (US \$)
Up to 100	100,000
101–300	200,000
301–500	250,000
501–1,000	300,000
1,001 and above	400,000

- (g) To request Article 5 countries to include in the development and finalization of the strategic plan for stage II of the HPMPs, as a minimum, the control target of the Montreal Protocol subsequent to that committed to in stage I of their HPMPs;
- (h) To request bilateral and implementing agencies to ensure that the following information was included in project proposals for stage II of HPMPs, in addition to the information required by decision 54/39 and by the guidelines for the preparation of HPMPs, consistent with decision XIX/6:
  - (i) A description of how the HPMP strategy had considered the range of non-ODS, technically proven, and commercially available alternatives, including climate-friendly alternatives to HCFCs;
  - (ii) A qualitative description of how the strategy for the servicing sector had taken into account climate aspects;
  - (iii) The proportion of foreign ownership and exports to non-Article 5 countries in the manufacturing sector;
  - (iv) An indication of the project disbursement modality that would be used to implement the HPMP;
  - (v) Date of establishment of enterprises, taking into account decision 60/44(a) on the cut-off date, including enterprise names and consumption data, where available; and
- (i) To request bilateral and implementing agencies to return any balances from project preparation funding provided for stage I of HPMPs to the Multilateral Fund before a request for stage II project preparation funding might be considered.

**(Decision 71/42)**

**AGENDA ITEM 10: DISCUSSION PAPER ON MINIMIZING ADVERSE CLIMATE IMPACT OF HCFC PHASE-OUT IN THE REFRIGERATION SERVICING SECTOR (DECISION 68/11 AND PARAGRAPH 120 OF UNEP/OzL.Pro/ExCom/70/59)**

156. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/56, which summarized the discussions held at the 70<sup>th</sup> meeting on minimizing the adverse climate impact of HCFC phase-out in the refrigeration servicing sector. The paper provided an overview of the current refrigeration servicing sector, the experience gained from the phase-out of CFCs that was applicable to HCFC phase-out, and approaches to minimize adverse climate impacts during the implementation of activities for the servicing sector.

157. One member said that a number of initiatives were under way in several countries, including on district cooling systems in Colombia and the Maldives. Not-in-kind alternatives offered a range of proven, available, safe, low-GWP alternatives and helped to reduce demand in the servicing sector. A number of investments also provided an opportunity for additional leveraging. As the Multilateral Fund lacked experience with those technologies, he proposed requesting the Secretariat, in consultation with the implementing agencies, to produce a discussion paper on how systems with alternative technologies that minimized climate impact and improved energy efficiency could be considered for funding.

158. Several members said that the document was useful and would help both Article 5 and non-Article 5 countries address the servicing sector. It presented, *inter alia*: proposed techniques for servicing refrigeration equipment; an analysis of the effect of good servicing practices, including the added benefit of recovery and recycling when compared with retrofitting; the safety issues related to the use of flammable gases; and the suggestion that there was a need to develop an impact analysis of the different technology options available. One member said that the issues raised in the document also related to the guidelines on preparation of stage II of HPMPs, although another member said that he could not accept the inclusion of the issues raised in the paper on the servicing sector in those guidelines.

159. One member stressed the need for assistance to be provided to countries to help them address the issue of alternatives and it was suggested that the recommendation include other alternatives in addition to those that were flammable. While some members considered that the text of the recommendation did not impose any new obligations on Article 5 countries, others were not prepared to include in the recommendation any provision that encouraged Article 5 countries to introduce or adopt any standards or codes of good practice. One member also had reservations with respect to the climate impact indicator and considered that there was a need for further reflection on that issue.

160. It was suggested that the Executive Committee continue its discussion of the document informally.

161. Following informal discussions the Executive Committee decided to defer consideration of the document on minimizing the adverse climate impact of HCFC phase-out in the servicing sector (UNEP/OzL.Pro/ExCom/71/56) until its 72<sup>nd</sup> meeting, on the understanding that sufficient time would be made available to the Executive Committee to discuss the document.

**(Decision 71/43)**

**AGENDA ITEM 11: REVISED PAPER ON CRITERIA FOR FUNDING HCFC PHASE-OUT IN THE CONSUMPTION SECTOR ADOPTED BY DECISION 60/44 (DECISIONS 69/22(b), 69/24(d) AND 70/21(c))**

162. Introducing document UNEP/OzL.Pro/ExCom/71/57, the Chief Officer said that the Secretariat had revised the document initially presented to the 70<sup>th</sup> meeting to include, *inter alia*, information

provided by relevant implementing agencies regarding incremental capital and operating costs incurred under stage I of HPMPs.

163. He said that difficulties had been encountered in determining whether all of the costs incurred were eligible incremental costs as per the approved project proposals. The agencies had also had difficulty in providing the required information. In addition, the number of enterprises for which actual costs had already been paid was very small compared with the enterprises currently under conversion and did not cover all the alternative technologies selected so far.

164. Based on the additional analysis undertaken, the Secretariat and all the implementing agencies considered that the criteria and guidelines currently in place could continue to be used when submitting new proposals, on the understanding that they could be further developed as new policy issues arose from their review.

165. The Executive Committee took note of the document on the criteria for funding HCFC phase-out in the consumption sector adopted by decision 60/44, contained in document UNEP/OzL.Pro/ExCom/71/57.

#### **AGENDA ITEM 12: DISBURSEMENT OF FUNDS FOR THE HCFC PHASE-OUT MANAGEMENT PLAN FOR CHINA (DECISION 69/24(b)(i))**

166. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/58, which had been prepared by the Secretariat with input from the implementing agencies. The Secretariat was proposing to study further the issue of fund transfers taking into account the Board of Auditors' observations, the possibility of maximizing interest, the review of the Treasury function at the end of 2014, and the impact of any change in policy on stage II of HPMPs and on project implementation.

167. Clarifying the situation with regard to Treasury service, the representative of the Secretariat said that the term of the Treasurer had initially been set at five years at the 42<sup>nd</sup> meeting. At the end of that term, it had been extended indefinitely, meaning that no action needed to be taken by the Committee. However, the Secretariat had raised the issue as a change to the fund transfer policy could have implications for the requirements and cost of the Treasury function.

168. The implementing agencies gave additional information on their disbursement modalities for the HPMP in China. The representative of UNDP said that the agency implemented projects using performance-based pay-outs as provided in the Agreement with the Government of China for the first tranche; funds were transferred once milestones had been achieved to enable FECO to sign agreements with beneficiary enterprises. If any policy changes were decided on by the Committee requiring that procedure to change, it could be applied only to new agreements signed for stage II. The representative of UNIDO said that his agency had a similar agreement with FECO, also based on milestones. UNIDO disbursed funds to FECO on the basis of its attainment of milestones and after the presentation of invoices. The representative of the World Bank said that the disbursement schedule used by the Bank was set out in its Agreement with FECO, which in general only asked for money once it had committed to a contract.

169. In the ensuing discussion, it was noted that, on the basis of decision 69/24(b)(i), the Executive Committee had been expecting a paper proposing options for optimizing disbursement of funds to coincide with the need for disbursement to final beneficiaries in the HPMP for China. In this respect, work should continue on the basis of the decision taken at the 69<sup>th</sup> meeting. Given the wider implications of changes to policy, however, the Secretariat had preferred to revert to the Executive Committee for a broader mandate. In response, it was suggested that the issues relating to fund transfer policy more generally be considered under Agenda item 14, Accounts of the Multilateral Fund. Another member

requested that the rates of return on interest be taken into account in any further consideration of the disbursement issue.

170. The Executive Committee decided:

- (a) To note the document on disbursement of funds for the HCFC phase-out management plan for China (decision 69/24(b)(i)) (UNEP/OzL.Pro/ExCom/71/58); and
- (b) To request the Secretariat, in cooperation with the implementing agencies, to continue work pursuant to decision 69/24(b)(i) and to report any additional information to the Executive Committee at its 72<sup>nd</sup> meeting.

**(Decision 71/44)**

**AGENDA ITEM 13: TERMS OF REFERENCE FOR THE ASSESSMENT OF THE ADMINISTRATIVE COST REGIME FOR THE 2015-2017 TRIENNIUM (DECISIONS 66/17(e) AND 68/10)**

171. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/59, explaining that, pursuant to decision 67/15, the administrative cost regime would be reviewed at the last meeting of 2014. The document proposed a number of options for carrying out a review, which could be conducted by the Secretariat, by an independent contractor, or by an expert group. Issues that might be taken into account in the review included: the administrative costs attached to certain roles of the implementing agencies; the optimization of support costs; keeping the overall administrative cost ratio within the historical average or lower; the core unit cost structure; and the impact on administrative costs of the relative size of agencies administering funds.

172. Following the introduction, a number of members recalled that a long discussion on the administrative cost regime had taken place at the 70<sup>th</sup> meeting, and expressed the view that changes to the regime should be given time to show their merit before being subjected to further changes. While an in-depth review did not seem necessary for the time being, some aspects of the administrative cost regime might benefit from examination. As the item would be on the agenda of the last meeting of 2014, however, the best option appeared to be to request the Secretariat to provide basic information on the regime's functioning, rather than undertaking a detailed review.

173. Following the discussion, the Executive Committee decided:

- (a) To note the options for assessment of the administrative cost regime for the 2015-2017 triennium contained in document UNEP/OzL.Pro/ExCom/71/59; and
- (b) To request the Secretariat to submit to the last meeting in 2014 a document reviewing the current administrative cost regime, in consideration of the administrative cost regime for the 2015-2017 triennium.

**(Decision 71/45)**

**AGENDA ITEM 14: ACCOUNTS OF THE MULTILATERAL FUND**

**(a) Final 2012 accounts**

174. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/60. A member suggested that the broader issue relating to fund transfer policy addressed in agenda item 12, Disbursement of funds for the HCFC phase-out management plan for China, be considered under the present item.

175. The Executive Committee decided:

- (a) To note the final financial statements of the Multilateral Fund as at 31 December 2012 contained in document UNEP/OzL.Pro/ExCom/71/60;
- (b) To note that UNEP had yet to receive the final audit report of the 2012 accounts from the United Nations Board of Auditors;
- (c) To request the Treasurer to record in the 2013 accounts of the Multilateral Fund the differences between the implementing agencies' provisional financial statements and their final 2012 accounts, as reflected in Tables 1 and 2 of document UNEP/OzL.Pro/ExCom/71/60;
- (d) To request the Treasurer to report to the Executive Committee at its 72<sup>nd</sup> meeting on the:
  - (i) Consolidation of the Multilateral Fund accounts with those of UNEP under the International Public Sector Accounting Standards;
  - (ii) Mitigation of exchange rate risks on pledged contributions;
  - (iii) Procedures set by the UNEP-wide standard on cash advances and the potential impact on Multilateral Fund-funded project implementation; and
- (e) To request the Secretariat, in cooperation with the implementing agencies and the Treasurer, to further consider the impact of fund transfers to implementing agencies from the Treasurer, including information on rates of return on interest, in the light of the information provided in document UNEP/OzL.Pro/ExCom/71/58, and to report back to the Executive Committee at its 72<sup>nd</sup> meeting.

**(Decision 71/46)**

**(b) Reconciliation of the accounts**

176. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/61. She drew attention to the fact that the US \$12 outstanding reconciling item between the approved amounts and the income of UNDP, reflected in Table 3 of the document, was related to a historical difference in income that should be withheld by the Treasurer against future transfers to UNDP and not to the balance returned for the project LEB/FUM/47/INV/61, as stated in the document.

177. The Executive Committee decided:

- (a) To note the reconciliation of the 2012 accounts, as presented in document UNEP/OzL.Pro/ExCom/71/61;
- (b) To request UNEP to adjust its income by US \$11,982 in interest accrued and US \$3,675 in prior years' savings in its next progress report;
- (c) To request the Treasurer:
  - (i) To reflect in UNIDO's 2013 accounts as prior years' adjustment:
    - a. Income transfers made to UNIDO in 2012 related to the refund on completed projects amounting to US \$104,472;

- b. Interest earned amounting to US \$221,896 for the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of 2012, as adjusted at the 68<sup>th</sup> meeting;
  - c. US \$99,041 for the 4<sup>th</sup> quarter of 2012, as adjusted at the 69<sup>th</sup> meeting;
  - d. The difference in interest income between the provisional and final accounts for 2012, amounting to US \$50,951;
- (ii) To withhold from future transfers to UNDP an amount of US \$551,278, representing the additional interest income reported by UNDP in its final financial statement but not in its provisional financial statement, and a US \$12 historical difference in income, and to reflect these amounts as a prior year adjustment in UNDP's 2013 accounts;
  - (iii) To withhold from future transfers to the World Bank an amount of US \$71,078, representing interest earned in the 4<sup>th</sup> quarter of 2011, which had not been deducted from the 2012 approvals, as the Treasurer had made no payments to the World Bank at the 66<sup>th</sup> and 67<sup>th</sup> meetings owing to a large return in balances; and
  - (iv) To note that the adjustments of US \$2,880 returned twice by UNIDO against five projects, and US \$810 in agency support costs returned twice by UNEP against one project, had been effected in the report on balances and availability of resources (document UNEP/OzL.Pro/ExCom/71/4) for each agency separately;
- (d) To note the 2012 outstanding reconciling items as follows:
    - (i) US \$3,119 in income between UNEP's progress report and final accounts;
    - (ii) US \$15 in income and US \$1,197 in expenditure between UNIDO's progress report and final accounts; and
    - (iii) US \$9 in income between the World Bank's progress report and final accounts; and
- (e) To note the standing reconciling items as follows:
    - (i) UNDP for unspecified projects in the amounts of US \$68,300 and US \$29,054; and
    - (ii) World Bank for the following projects implementing with other bilateral agencies where applicable:
      - Thailand chiller project (THA/REF/26/INV/104) in the amount of US \$1,198,946;
      - Sweden bilateral (THA/HAL/29/TAS/120) in the amount of US \$225,985;
      - United States of America bilateral (CPR/PRO/44/INV/425) in the amount of US \$5,375,000; and
      - United States of America bilateral (CPR/PRO/47/INV/439) in the amount of US \$5,375,000.

**(Decision 71/47)**

**AGENDA ITEM 15: REVISED 2013, 2014 AND 2015 AND PROPOSED 2016 BUDGETS OF THE FUND SECRETARIAT**

178. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/62.

179. While recognizing the importance of the Secretariat's role in facilitating the Executive Committee's work, members raised a number of concerns, most notably regarding staff upgrades and the cost differential of holding two meetings a year rather than three. One member also wished to discuss a different approach to document production that could have budgetary implications. A small informal discussion group was therefore set up.

180. Subsequently, the representative of the Secretariat informed the Committee that the informal group had discussed a number of issues. Concerning the process related to the classification exercise that led to the proposed upgrade of two posts from the GS to the P categories, she clarified that in 2012, UNEP's administration had requested UNON to identify an independent classification expert to conduct a classification review for both the Secretariats of the Multilateral Fund and the SCBD which were being administered by UNEP. Based on the results of the classification review, the Secretariat's budget reflected the upgrade of the two posts. She also reported that a corrigendum to document UNEP/OzL.Pro/ExCom/71/62 had been issued to further clarify the process that led to the reclassifications of the two posts. However, some members were of the view that the upgrade should be withheld pending further information on the matter to be provided to the next meeting of the Executive Committee.

181. In regard to the revised costing of Executive Committee meetings, she explained that the costs were based on actual translation costs paid for prior meetings, the need to provide translation and interpretation in one additional language in 2014, and adjustments on costs for the rental of equipment and premises due to inflation. However, after a further review, it was feasible to reduce the Executive Committee budget line for meetings by US \$40,000, noting that the reductions would not affect the overall performance of the meeting or the quality of the documents prepared for consideration by the Committee. Concerning the costs associated with travel on official mission, she explained that a number of missions by the Chief Officer and the Secretariat staff including those associated with the Open-Ended Working Group and the Parties would be expected in 2014; therefore, the requested amount was maintained at the proposed level, on the understanding that the Secretariat would report on tentative travel plans for official missions.

182. Concerning the request for a revision of the programme support cost applied to personnel component, she explained that as the matter was not within the purview of the Secretariat it would need to consult with UNEP and consider the potential implications for reviewing the level of support costs. Therefore, it was agreed that the current rate of support costs should be maintained at the same level in the 2014 and 2015 approved budgets and the 2016 proposed budget, on the understanding that UNEP, through the Secretariat, would provide options for cost savings through a reduced rate by the 72<sup>nd</sup> meeting. She also reported that the Secretariat budget document would be presented in a different format by adding an additional column reflecting the actual expenditures of the prior year after closing of the accounts, providing estimated operational costs for all years covered under the budget, a brief narrative of the budget lines, and information on expected missions to be undertaken during the current budget year.

183. The Executive Committee decided:

- (a) To take note of the revised 2013, 2014, 2015 and proposed 2016 budgets of the Fund Secretariat, as contained in Annex XXV to the present report;

- (b) To approve the revised 2013 budget to reflect transfers between budget lines (BLs) 1101 and 1102 and transfers between BL 1333 and BL1334, noting that the total budget of US \$7,067,547 remained at the same level as approved at the 68<sup>th</sup> meeting;
- (c) To approve the revised 2014 budget in the amount of US \$6,983,852 to reflect:
  - (i) An additional amount of US \$2,819,031 to cover the operational costs;
  - (ii) Maintaining the posts 1301 and 1310 at G7 level in 2014, 2015 and 2016, pending further information;
- (d) To note the approved staff component costs of the 2015 budget totalling US \$4,287,391 which included programme support costs;
- (e) To approve the proposed staff component costs of the 2016 budget totalling US \$4,416,013, including programme support costs;
- (f) To request the Secretariat to discuss with UNEP options for cost savings through reduced programme support costs, including an 8 per cent programme support cost rate scenario, and potential implications on the provision of services and staffing, including a detailed breakdown of programme support costs, and to report to the Executive Committee by the 72<sup>nd</sup> meeting;
- (g) To request the Secretariat to resubmit the revised 2014 and 2015 and proposed 2016 budgets, based on a revised format; and
- (h) To request the Secretariat to submit to the 72<sup>nd</sup> meeting information on options regarding the reclassification results and the financial and operational implications of those options for the Multilateral Fund.

**(Decision 71/48)**

**AGENDA ITEM 16: RECRUITMENT PROCESS FOR THE POSITION OF CHIEF OFFICER OF THE MULTILATERAL FUND SECRETARIAT (DECISION 70/27)**

184. The Chair of the Executive Committee provided the meeting with an oral report on the process of the selection of the Chief Officer of the Multilateral Fund Secretariat, as requested by decision 70/27(c).

185. She recalled that the top eight candidates had been interviewed and that three of them had been unanimously recommended by the Selection Panel in a report finalized a few days after the Thirty-third Meeting of the Open-ended Working Group. The report had been submitted to the Executive Director of UNEP for onward transmission to the Secretary-General of the United Nations. In September 2014, Executive Committee members had been informed of the appointment of Mr. Eduardo Ganem, just ahead of the official announcement. The Chair welcomed Mr. Ganem to his new position and wished him well for his first meeting as Chief Officer.

186. Executive Committee members and representatives of the implementing agencies joined her in congratulating Mr. Ganem on his appointment. They highlighted his important contribution and dedication to the work of the Fund to date and expressed their confidence in his continued service to the institution. He could count on their support.

187. Members also thanked UNEP, its staff and all those involved in the recruitment process for their diligence and timely efforts to ensure a seamless transition and especially for recognizing the importance of involving the Executive Committee fully in the process.

188. Mr. Ganem thanked the Executive Committee and the implementing agencies, saying he was honoured to be at the present meeting in his new capacity. He said that he was extremely lucky to be working with such an outstanding team within the Secretariat and that they would do their utmost to ensure that they continued to provide the Committee with the highest possible level of assistance.

**AGENDA ITEM 17: REPORT OF THE PRODUCTION SECTOR SUB-GROUP**

189. The representative of Canada, as facilitator of the Sub-group on the Production Sector, presented the report of the Sub-group on its deliberations (UNEP/OzL.Pro/ExCom/71/63) and made two technical corrections to it orally. He said the Sub-group had reached agreement on all issues except the draft HCFC production sector guidelines.

190. He was pleased to announce that there had been agreement on the HPPMP for China, which had been agreed in principle at the 69<sup>th</sup> meeting but which had required additional discussion in order to finalize the framework Agreement and the conditions for stage I of the Agreement. The Sub-group had recommended that an additional paragraph be included in the framework Agreement to reflect the fact that China had agreed to ensure that any compensated plant did not redirect any phased-out HCFC production capacity toward feedstock, subject to a penalty to be specified in the Agreement for each stage of the HPPMP.

191. Agreement had also been reached on modifications to China's CFC production sector phase-out plan to permit exemptions for the production of CFCs for essential uses approved for other Parties, which in the present case was the Russian Federation. The Sub-group had also addressed the issues which related to stage II of the HPPMP for China, as contained in the World Bank's business plan for 2014-2016 (see paragraphs 91-93 above).

Revised draft Agreement between the Government of China and the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol for the phase-out of production of HCFCs (HPPMP)

192. Based on the report from the facilitator of the Sub-group on the Production Sector the Executive Committee decided:

- (a) To note the revised draft Agreement between the Government of China and the Executive Committee for the phase-out of production of HCFCs (HPPMP) as contained in Annex I of document UNEP/OzL.Pro/ExCom/71/63;
- (b) To agree a penalty for exceeding agreed production limits of US \$1.73 per kg/year;
- (c) To agree a penalty for redirection of production for controlled uses to production for feedstock of US \$0.15 per kg/year; and
- (d) To approve the Agreement between the Government of China and the Executive Committee for the HPPMP, contained in Annex XXVI to the present report.

**(Decision 71/49)**

Modification of China's CFC production sector phase-out plan to permit exemptions for the production of CFCs for essential uses approved for other Parties for 2014

193. Based on the report from the facilitator of the Sub-group on the Production Sector the Executive Committee decided:

- (a) To note the modification of China's CFC production sector phase-out plan to permit exemptions for the production of CFCs for essential uses approved for other parties for 2014 as contained in document UNEP/OzL.Pro/ExCom/71/SGP/5;
- (b) To modify the CFC production sector Agreement for China to allow the production for export of pharmaceutical-grade CFCs in 2014, with an annual review, for purposes of meeting the 2014 essential use exemption for metered-dose inhalers (MDIs) authorized by the Parties in decision XXV/2 for the other countries, provided that the exporting country had reporting and verification systems in place and that the reporting and verification systems collected and reported on the following information:
  - (i) Documents from MDI manufacturers ordering pharmaceutical-grade CFCs;
  - (ii) Approvals from importing country governments for purchasing essential use pharmaceutical-grade CFCs;
  - (iii) Approvals received from governments of MDI-producing countries that ordered pharmaceutical-grade CFCs and the essential production authorized;
  - (iv) Raw materials consumed for the production run;
  - (v) Amount of pharmaceutical-grade CFC produced;
  - (vi) Amount of non-pharmaceutical-grade CFC produced;
  - (vii) Documentation (transport, storage, disposal) verifying that the amount of non-pharmaceutical CFCs had been destroyed;
  - (viii) Export documentation from producers;
  - (ix) Invoices from MDI manufacturers;
  - (x) Audit reports verifying all the above;
- (c) To request the World Bank, as the implementing agency for the CFC production phase-out plan for China, to provide its services in carrying out the verification/audit and to submit reports to the Executive Committee on behalf of China on the understanding that:
  - (i) The World Bank verified that the producer had access to destroy the excess CFCs produced using a destruction technique approved by the Parties;
  - (ii) The cost of verification would be approved in advance of the audit by the Executive Committee; and
- (d) That:
  - (i) The Secretariat, on behalf of the Executive Committee, would seek confirmation from the importing country of the actual quantities imported by that country;
  - (ii) The producing country agreed to limit the production of non-pharmaceutical specification grade CFCs to the extent possible and pay for their destruction; and

- (iii) The Executive Committee would consider application of the penalty clause to any CFC production determined as being excessive by the verification reports.

**(Decision 71/50)**

## **AGENDA ITEM 18: OTHER MATTERS**

### Follow up to decision XXV/5 of the Meeting of the Parties

194. As proposed during the Organization of work at the beginning of the meeting (Agenda item 2(b)), the issue of how to implement decision XXV/5 of the Twenty-fifth Meeting of the Parties was raised for discussion. Decision XXV/5 requested the Executive Committee to consider the information provided in the report on additional information on alternatives to ODS substances prepared by the TEAP pursuant to decision XXIV/7 of the Twenty-fourth Meeting and other related reports, with a view to considering whether additional demonstration projects to validate low-GWP-potential alternatives and technologies, together with additional activities to maximize the climate benefits, would be useful in assisting Article 5 parties in further minimizing the environmental impact of HCFC phase-out.

195. In addition to the documents mentioned in the decision by the Meeting of the Parties, a further proposal was made to request the Secretariat, in consultation with the bilateral and implementing agencies, to prepare a discussion paper for consideration by the Executive Committee at its 72<sup>nd</sup> meeting on how various systems with alternative technologies minimized environmental and climate impacts. It was also suggested that the discussion document should provide an overview of the demonstration projects funded by the Multilateral Fund so far, and describe the regional distribution and technology involved in such projects. The scope of the discussion paper should be broad, with a view to using the information therein to decide whether to proceed any further and how to do so. It should take into account documents UNEP/OzL.Pro/ExCom/71/6/Add.1 (Parts IX and XII) and UNEP/OzL.Pro/ExCom/71/56, on a number of initiatives related to the adoption of alternative technologies to ODS that were under way or had been introduced in several countries, and the information in TEAP's 2012 progress report referred to in decision XXIV/7 of the Twenty-fourth Meeting of the Parties regarding additional information on alternatives to ODS.

196. Following the discussion, the Executive Committee decided:

- (a) To request the Secretariat to prepare for the 72<sup>nd</sup> meeting:
- (i) An overview of approved HCFC demonstration projects, including countries and regions covered, and technologies selected;
  - (ii) A discussion paper, in consultation with the bilateral and implementing agencies, on options for a number of additional projects to demonstrate climate-friendly and energy-efficient alternative technologies to HCFCs, including not-in-kind technologies, taking into account discussion during the 71<sup>st</sup> meeting; and
- (b) To consider at the 72<sup>nd</sup> meeting issues related to the additional activities to maximize climate benefits in the HCFC production sector.

**(Decision 71/51)**

### Dates and venues of meetings of the Executive Committee in 2014

197. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/71/Inf.2 containing various options for the dates of the 72<sup>nd</sup> and 73<sup>rd</sup> meetings. The Chief Officer informed the members that holding the 73<sup>rd</sup> meeting back-to-back with the Meeting of the Parties could have budgetary

implications for the Secretariat as no decision had yet been taken on the venue. The Executive Committee would be informed of the venue when the decision had been taken.

198. The Executive Committee decided:

- (a) To hold its 72<sup>nd</sup> meeting in Montreal from 12 to 16 May 2014; and
- (b) To hold its 73<sup>rd</sup> meeting from 9 to 13 November 2014 back-to-back with the Twenty-sixth Meeting of the Parties at the venue to be decided.

**(Decision 71/52)**

#### **AGENDA ITEM 19: ADOPTION OF THE REPORT**

199. The Executive Committee adopted its report on the basis of the draft report contained in documents UNEP/OzL.Pro/ExCom/71/L.1 and Add.1.

#### **AGENDA ITEM 20: CLOSURE OF THE MEETING**

200. At the end of the meeting, on the occasion of the retirement of Ms. Suely Carvalho of UNDP and Mr. Sidi Menad Si Ahmed of UNIDO, the Executive Committee, the implementing agencies and the Fund Secretariat paid tribute to their outstanding contribution to the Montreal Protocol, emphasizing their constant support and unwavering commitment to its success.

201. Following the customary exchange of courtesies, the Chair declared the meeting closed at 4.35 p.m. on Friday, 6 December 2013.

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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

**TABLE 1 : STATUS OF THE FUND FROM 1991-2013 (IN US DOLLARS)**

As at 6 December 2013

<b>INCOME</b>		
Contributions received:		
- Cash payments including note encashments		2,748,372,605
- Promissory notes held		26,247,974
- Bilateral cooperation		148,055,059
- Interest earned		209,649,695
- Additional income from loans and other sources		-
- Miscellaneous income		16,446,636
<b>Total Income</b>		<b>3,148,771,969</b>
<b>ALLOCATIONS* AND PROVISIONS</b>		
- UNDP	710,043,260	
- UNEP	236,578,764	
- UNIDO	745,064,945	
- World Bank	1,111,906,449	
Unspecified projects	-	
Less Adjustments	-	
<b>Total allocations to implementing agencies</b>		<b>2,803,593,418</b>
Secretariat and Executive Committee costs (1991-2012)		
- includes provision for staff contracts into 2015		98,132,694
Treasury fees (2003-2013)		5,050,550
Monitoring and Evaluation costs (1999-2013)		3,544,504
Technical Audit costs (1998-2010)		1,709,960
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		148,055,059
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		(20,647,436)
<b>Total allocations and provisions</b>		<b>3,039,543,499</b>
Cash		<b>82,980,496</b>
<b>Promissory Notes:</b>		
	<b>2014</b>	12,609,913
	<b>2015</b>	9,092,041
	<b>2016</b>	4,546,020
		<b>26,247,974</b>
<b>BALANCE AVAILABLE FOR NEW ALLOCATIONS</b>		<b>109,228,470</b>

\* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the Implementing Agencies. It reflects the Secretariat's inventory figures on the net approved amounts. These figures are under review in the on-going reconciliation exercise.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 2 : 1991 - 2013 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME**  
BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 6 December 2013

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	1991 - 2011	2012	2013	1991 - 2013
Pledged contributions	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	399,640,706	2,814,006,785	131,538,756	132,087,622	3,077,633,163
Cash payments/received	206,511,034	381,555,255	413,012,637	408,090,922	417,816,135	339,921,961	376,393,380	2,543,301,324	115,492,740	89,578,540	2,748,372,605
Bilateral assistance	4,366,255	11,909,814	21,358,066	21,302,696	47,851,135	19,073,214	13,917,899	139,779,080	5,509,248	2,766,731	148,055,059
Promissory notes	0	0	0	0	0	(0)	1,851,205	1,851,205	10,758,707	13,638,062	26,247,974
Total payments	210,877,289	393,465,069	434,370,703	429,393,618	465,667,270	358,995,175	392,162,484	2,684,931,609	131,760,695	105,983,333	2,922,675,637
Disputed contributions	0	8,098,267	0	0	0	32,471,642	405,792	40,975,701	1,794,577	1,245,711	44,015,989
Outstanding pledges	24,051,952	31,376,278	38,196,306	10,606,383	8,332,730	9,033,305	7,478,222	129,075,176	(221,939)	26,104,289	154,957,526
Payments %age to pledges	89.76%	92.61%	91.92%	97.59%	98.24%	97.55%	98.13%	95.41%	100.17%	80.24%	94.97%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	43,537,814	10,544,631	205,938,388	2,347,348	1,363,959	209,649,695
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	3,377,184	3,547,653	13,399,363	1,534,909	1,512,363	16,446,636
<b>TOTAL INCOME</b>	<b>217,643,036</b>	<b>423,288,168</b>	<b>480,279,817</b>	<b>484,465,502</b>	<b>486,427,896</b>	<b>405,910,173</b>	<b>406,254,768</b>	<b>2,904,269,360</b>	<b>135,642,953</b>	<b>108,859,655</b>	<b>3,148,771,968</b>
<b>Accumulated figures</b>	<b>1991-1993</b>	<b>1994-1996</b>	<b>1997-1999</b>	<b>2000-2002</b>	<b>2003-2005</b>	<b>2006-2008</b>	<b>2009-2011</b>	<b>1991 - 2011</b>	<b>2012</b>	<b>2013</b>	<b>1991 - 2013</b>
Total pledges	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	399,640,706	2,814,006,785	131,538,756	132,087,622	3,077,633,163
Total payments	210,877,289	393,465,069	434,370,703	429,393,618	465,667,270	358,995,175	392,162,484	2,684,931,609	131,760,695	105,983,333	2,922,675,637
Payments %age to pledges	89.76%	92.61%	91.92%	97.59%	98.24%	97.55%	98.13%	95.41%	100.17%	80.24%	94.97%
Total income	217,643,036	423,288,168	480,279,817	484,465,502	486,427,896	405,910,173	406,254,768	2,904,269,360	135,642,953	108,859,655	3,148,771,968
Total outstanding contributions	24,051,952	31,376,278	38,196,306	10,606,383	8,332,730	9,033,305	7,478,222	129,075,176	(221,939)	26,104,289	154,957,526
As % to total pledges	10.24%	7.39%	8.08%	2.41%	1.76%	2.45%	1.87%	4.59%	-0.17%	19.76%	5.03%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,051,952	31,376,278	32,524,046	9,701,251	7,414,995	6,020,412	6,864,292	117,953,226	3,595,767	1,046,072	122,595,066
CEITs' outstandings %age to pledges	10.24%	7.39%	6.88%	2.20%	1.56%	1.64%	1.72%	4.19%	2.73%	0.79%	3.98%

PS: CEITs are Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Tajikistan, Ukraine and Uzbekistan, including Turkmenistan up to 2004 as per decision XVI/39.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

**TABLE 3 : 1991-2013 Summary Status of Contributions**

As at 6 December 2013

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Andorra	58,577	58,577	0	0	0	0
Australia*	60,461,755	58,850,848	1,610,907	0	0	353,836
Austria	32,715,869	32,584,079	131,790	0	0	-747,815
Azerbaijan	944,863	311,683	0	0	633,180	0
Belarus	2,900,526	0	0	0	2,900,526	0
Belgium	40,610,780	40,610,780	0	0	0	1,056,958
Bulgaria	1,379,221	1,379,221	0	0	0	0
Canada*	110,221,143	99,386,484	9,755,736	0	1,078,923	-3,849,101
Cyprus	714,331	714,331	0	0	0	8,722
Czech Republic	9,250,574	8,963,004	287,570	0	0	280,261
Denmark	26,870,224	26,709,171	161,053	0	0	-727,131
Estonia	406,937	406,937	0	0	0	19,009
Finland	21,069,905	20,670,747	399,158	0	0	-598,395
France	235,993,448	210,164,103	15,504,947	0	10,324,398	-14,325,076
Germany	340,637,503	266,511,715	55,097,946	24,581,308	-5,553,466	44,866
Greece	17,828,256	15,477,570	0	0	2,350,686	-1,340,447
Holy See	3,402	0	0	0	3,402	0
Hungary	6,299,528	4,760,499	46,494	0	1,492,535	-76,259
Iceland	1,250,430	1,143,416	0	0	107,014	50,524
Ireland	11,103,279	11,103,278	0	0	0	590,215
Israel	12,874,157	3,824,671	152,462	0	8,897,024	0
Italy	185,564,321	158,166,030	15,353,591	0	12,044,701	3,291,976
Japan	599,724,697	574,625,822	19,522,669	0	5,576,206	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	609,241	609,240	0	0	0	-2,483
Liechtenstein	304,457	304,456	0	0	0	0
Lithuania	959,812	466,846	0	0	492,967	0
Luxembourg	2,793,140	2,793,140	0	0	0	-79,210
Malta	238,620	180,788	0	0	57,832	0
Monaco	197,880	197,880	0	0	0	-697
Netherlands	63,343,199	63,343,198	0	0	0	0
New Zealand	9,042,316	9,042,315	0	0	0	180,048
Norway	24,511,307	24,511,307	0	0	0	295,195
Panama	16,915	16,915	0	0	0	0
Poland	12,774,747	12,661,747	113,000	0	0	0
Portugal	14,659,039	11,191,959	101,700	0	3,365,380	198,162
Romania	1,042,190	741,125	0	0	301,065	0
Russian Federation	110,523,509	2,724,891	0	0	107,798,619	0
San Marino	21,939	21,939	0	0	0	0
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	2,899,615	2,883,092	16,523	0	0	29,127
Slovenia	1,755,792	1,580,596	0	0	175,196	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	95,052,109	86,463,490	4,077,763	0	4,510,857	540,808
Sweden	41,273,630	39,699,277	1,574,353	0	0	-485,476
Switzerland	44,983,831	43,070,601	1,913,230	0	0	-2,103,299
Tajikistan	113,308	44,666	0	0	68,642	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	9,513,651	1,303,750	0	0	8,209,901	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	212,561,707	211,996,708	565,000	0	0	-3,251,754
United States of America	703,368,515	690,836,220	21,567,191	1,666,666	-10,701,562	0
Uzbekistan	724,623	188,606	0	0	536,017	0
SUB-TOTAL	3,077,633,163	2,748,372,605	148,055,059	26,247,974	154,957,526	-20,647,436
Disputed Contributions***	44,015,989	0	0	0	44,015,989	0
TOTAL	3,121,649,152	2,748,372,605	148,055,059	26,247,974	198,973,515	0

NB: (\*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39<sup>th</sup> Meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40<sup>th</sup> Meeting to read US \$1,208,219 and US \$6,449,438 instead of US \$1,300,088 and US \$6,414,880 respectively.

(\*\*) In accordance with decisions VI/5 and XVI/39 of the Meeting of the Parties to the Montreal Protocol, Turkmenistan has been reclassified as operating under Article 5 in 2004 and therefore its contribution of US \$5,764 for 2005 should be disregarded.

(\*\*\*) Amounts for France, Germany, Italy, Japan and the United Kingdom netted off from the 1996 contributions and are shown here for records only. Amount for the United States of America netted off from the 2007 and 2008 contributions. Additional amount of US\$ 405,792 reflected from the USA 2010 contributions.

## TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

**TABLE 4 : Status of Contributions for 2013**

As at 6 December 2013

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	11,907	11,907			0
Australia	3,287,899	3,287,899			0
Austria	1,447,492	1,447,492			0
Azerbaijan	25,514				25,514
Belarus	71,439				71,439
Belgium	1,828,500	1,828,500			0
Bulgaria	64,635	64,635			0
Canada	5,454,884	4,375,962			1,078,923
Cyprus	78,243	78,243			0
Czech Republic	593,625	593,625			0
Denmark	1,251,885	1,251,885			0
Estonia	68,037	68,037			0
Finland	962,727	962,727			0
France	10,414,798				10,414,798
Germany	13,638,062		2,766,731	13,638,062	(2,766,731)
Greece	1,175,343				1,175,343
Holy See	1,701				1,701
Hungary	494,971				494,971
Iceland	71,439				71,439
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952				8,502,952
Japan	21,312,660	21,312,660			0
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560				110,560
Luxembourg	153,084	153,084			0
Malta	28,916				28,916
Monaco	5,103	5,103			0
Netherlands	3,155,226	3,155,226			0
New Zealand	464,354	464,354			0
Norway	1,481,511	1,481,511			0
Poland	1,408,371	1,408,371			0
Portugal	869,176				869,176
Romania	301,065				301,065
Russian Federation	2,724,891	2,724,891			0
San Marino	5,103	5,103			0
Slovak Republic	241,532	241,532			0
Slovenia	175,196				175,196
Spain	5,403,857				5,403,857
Sweden	1,809,790	1,809,790			0
Switzerland	1,922,052	1,922,052			0
Tajikistan	3,402				3,402
Ukraine	147,981				147,981
United Kingdom	11,232,946	11,232,946			0
United States of America*	28,087,622	28,764,000			(676,378)
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>132,087,622</b>	<b>89,578,540</b>	<b>2,766,731</b>	<b>13,638,062</b>	<b>26,104,289</b>
Disputed Contributions(*)	1,245,711				1,245,711
<b>TOTAL</b>	<b>133,333,333</b>	<b>89,578,540</b>	<b>2,766,731</b>	<b>13,638,062</b>	<b>27,350,000</b>

(\*) Additional amount on Disputed contribution relating to the USA.

## TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 5 : Status of Contributions for 2012

As at 6 December 2013

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	11,907	11,974			(67)
Australia	3,287,899	3,287,899			0
Austria	1,447,492	1,447,492			0
Azerbaijan	25,514				25,514
Belarus	71,439				71,439
Belgium	1,828,500	1,828,500			0
Bulgaria	64,635	64,635			0
Canada	5,454,884	5,454,884			0
Cyprus	78,243	78,243			0
Czech Republic	593,625	593,625			0
Denmark	1,251,885	1,251,885			0
Estonia	68,037	68,037			0
Finland	962,727	962,727			0
France	10,414,798	10,126,112	379,086		(90,400)
Germany	13,638,062	4,546,021	2,727,612	9,092,041	(2,727,612)
Greece	1,175,343				1,175,343
Holy See	1,701				1,701
Hungary	494,971				494,971
Iceland	71,439	35,864			35,575
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	4,893,403	67,800		3,541,749
Japan	21,312,660	19,870,910	1,441,750		0
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560				110,560
Luxembourg	153,084	153,084			0
Malta	28,916				28,916
Monaco	5,103	5,103			0
Netherlands	3,155,226	3,155,226			0
New Zealand	464,354	464,354			0
Norway	1,481,511	1,481,511			0
Poland	1,408,371	1,408,371			0
Portugal	869,176				869,176
Romania	301,065	301,065			0
Russian Federation	2,724,891				2,724,891
San Marino	5,103	5,103			0
Slovak Republic	241,532	241,532			0
Slovenia	175,196	175,196			0
Spain	5,403,857	5,403,857	893,000		(893,000)
Sweden	1,809,790	1,809,790			0
Switzerland	1,922,052	1,922,052			0
Tajikistan	3,402				3,402
Ukraine	147,981				147,981
United Kingdom	11,232,946	11,232,946			0
United States of America*	27,538,756	32,284,334		1,666,666	(6,412,244)
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>131,538,756</b>	<b>115,492,740</b>	<b>5,509,248</b>	<b>10,758,707</b>	<b>(221,939)</b>
Disputed Contributions(*)	1,794,577				1,794,577
<b>TOTAL</b>	<b>133,333,333</b>	<b>115,492,740</b>	<b>5,509,248</b>	<b>10,758,707</b>	<b>1,572,638</b>

(\*) Additional amount on Disputed contribution relating to the USA.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 6 : Summary Status of Contributions for 2009-2011**  
As at 6 December 2013

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	34,764	34,697	0	0	67
Australia	8,678,133	8,339,133	339,000	0	0
Austria	4,307,501	4,307,501	0	0	0
Azerbaijan	24,281	0	0	0	24,281
Belarus	97,125	0	0	0	97,125
Belgium	5,351,596	5,351,596	0	0	0
Bulgaria	97,125	97,125	0	0	0
Canada	14,457,080	14,028,245	428,835	0	0
Cyprus	213,675	213,675	0	0	0
Czech Republic	1,364,608	1,143,128	221,480	0	0
Denmark	3,588,775	3,588,775	0	0	0
Estonia	77,700	77,700	0	0	0
Finland	2,738,929	2,738,929	0	0	0
France	30,599,281	29,539,244	1,060,037	0	0
Germany	41,652,124	31,470,493	8,330,424	1,851,205	2
Greece	2,894,330	2,894,330	0	0	(0)
Hungary	1,184,927	682,333	0	0	502,594
Iceland	179,682	179,682	0	0	0
Ireland	2,161,035	2,161,035	0	0	0
Israel	2,034,772	0	0	0	2,034,772
Italy	24,664,934	23,856,984	807,950	0	0
Japan	80,730,431	78,893,258	1,837,173	0	0
Latvia	87,413	87,413	0	0	0
Liechtenstein	48,563	48,563	0	0	0
Lithuania	150,544	0	0	0	150,544
Luxembourg	412,782	412,782	0	0	0
Malta	82,556	82,556	0	0	0
Monaco	14,569	14,569	0	0	0
Netherlands	9,095,771	9,095,771	0	0	0
New Zealand	1,243,202	1,243,202	0	0	0
Norway	3,797,594	3,797,594	0	0	0
Poland	2,432,985	2,432,985	0	0	0
Portugal	2,559,248	932,219	0	0	1,627,029
Romania	339,938	339,938	0	0	0
Russian Federation	5,827,509	0	0	0	5,827,509
San Marino	11,734	11,734	0	0	0
Slovak Republic	305,944	305,944	0	0	0
Slovenia	466,201	466,201	0	0	0
Spain	14,413,373	12,955,373	893,000	0	565,000
Sweden	5,201,052	5,201,052	0	0	0
Switzerland	5,905,210	5,905,210	0	0	0
Tajikistan	4,857	0	0	0	4,857
Ukraine	218,532	0	0	0	218,532
United Kingdom	32,255,265	32,255,265	0	0	0
United States of America	87,594,208	91,207,148	0	0	(3,612,940)
Uzbekistan	38,850	0	0	0	38,850
<b>SUB-TOTAL</b>	<b>399,640,706</b>	<b>376,393,380</b>	<b>13,917,899</b>	<b>1,851,205</b>	<b>7,478,222</b>
Disputed Contributions(*)	405,792	0	0	0	405,792
<b>TOTAL</b>	<b>400,046,498</b>	<b>376,393,380</b>	<b>13,917,899</b>	<b>1,851,205</b>	<b>7,884,014</b>

(\*) Additional amount on Disputed contribution relating to the USA.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

**TABLE 7 : Status of Contributions for 2011**

As at 6 December 2013

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,948	12,881			67
Australia	2,892,711	2,553,711	339,000		0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	4,819,027			0
Cyprus	71,225	71,225			0
Czech Republic	454,869	415,319	39,550		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760	9,634,760	565,000		0
Germany	13,884,041	3,702,411	2,776,808	1,851,205	5,553,618
Greece	964,777	964,777			0
Hungary	394,976				394,976
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	8,221,645			(0)
Japan	26,910,144	26,440,498	469,646		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,924			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995	810,995			0
Portugal	853,083				853,083
Romania	113,313	113,313			0
Russian Federation	1,942,503				1,942,503
San Marino	4,855	4,855			0
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	4,804,458			(0)
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	29,333,333	32,946,274			(3,612,941)
Uzbekistan	12,950				12,950
<b>SUB-TOTAL</b>	<b>133,351,137</b>	<b>121,322,302</b>	<b>4,190,004</b>	<b>1,851,205</b>	<b>5,987,626</b>
		0	0	0	0
<b>TOTAL</b>	<b>133,351,137</b>	<b>121,322,302</b>	<b>4,190,004</b>	<b>1,851,205</b>	<b>5,987,626</b>

## TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 8 : Status of Contributions for 2010

As at 6 December 2013

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,948	12,948			0
Australia	2,892,711	2,892,711			0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	4,489,632	329,395		0
Cyprus	71,225	71,225			0
Czech Republic	454,869	363,904	90,965		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760	9,907,090	207,355		85,315
Germany	13,884,041	13,884,041	2,776,808	0	(2,776,808)
Greece	964,777	964,777			(0)
Hungary	394,976	287,357			107,618
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	7,566,245	655,400		(0)
Japan	26,910,144	25,702,795	1,207,349		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,923			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995	810,995			0
Portugal	853,083	79,137			773,946
Romania	113,313	113,313			0
Russian Federation	1,942,503				1,942,503
San Marino	4,855	4,855			0
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	3,911,458	893,000		(0)
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	28,927,541	28,927,541			0
Uzbekistan	12,950				12,950
<b>SUB-TOTAL</b>	<b>132,945,345</b>	<b>125,796,178</b>	<b>6,160,272</b>	<b>0</b>	<b>988,895</b>
Disputed Contributions(*)	405,792	0	0	0	405,792
<b>TOTAL</b>	<b>133,351,137</b>	<b>125,796,178</b>	<b>6,160,272</b>	<b>0</b>	<b>1,394,687</b>

(\*) Additional amount on Disputed contribution relating to the USA.

## TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

**TABLE 9 : Status of Contributions for 2009**

As at 6 December 2013

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	8,868	8,868			0
Australia	2,892,711	2,892,711			0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	4,719,586	99,440		0
Cyprus	71,225	71,225			0
Czech Republic	454,869	363,904	90,965		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760	9,997,393	287,682		(85,315)
Germany	13,884,041	13,884,041	2,776,808	0	(2,776,808)
Greece	964,777	964,777			(0)
Hungary	394,976	394,976			(0)
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	8,069,094	152,550		0
Japan	26,910,144	26,749,966	160,178		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,924			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995	810,995			(0)
Portugal	853,083	853,082			0
Romania	113,313	113,313			0
Russian Federation	1,942,503				1,942,503
San Marino	2,023	2,023			0
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	4,239,458			565,000
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	29,333,333	29,333,333			0
Uzbekistan	12,950				12,950
<b>TOTAL</b>	<b>133,344,225</b>	<b>129,274,900</b>	<b>3,567,623</b>	<b>0</b>	<b>501,702</b>

**Table 10: Status of Promissory Notes as at 6 December 2013**

**MULTILATERAL FUND'S PROMISSORY NOTES**

Country	HELD BY			IMPLEMENTING AGENCY FOR WHICH HELD OR ASSIGNED TO					
	A WORLD BANK	B TREASURER	C= A+B TOTAL	D UNDP	E UNEP	F UNIDO	G WORLD BANK	H TREASURER	D+E+F+G+H=I I=C TOTAL
	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value
Canada			0					0	0
France			0					0	0
Germany		24,581,308	24,581,308					24,581,308	24,581,308
The Netherlands			0					0	0
United Kingdom			0					0	0
United States of America		1,666,666	1,666,666					1,666,666	1,666,666
<b>TOTAL</b>	<b>0</b>	<b>26,247,974</b>	<b>26,247,974</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>26,247,974</b>	<b>26,247,974</b>

Table 11: 2004-2013 Ledger of Promissory Notes as at 6 December 2013

RECEIPTS							ENCASHMENTS					
Date of Submission a/	Year of contribution	Country of Origin	P/Note code	Denomination/ Type of currency	Amount (in Original denomination)	Note Value in USD per UNEP	Date of transfer	Agency	Transfer amount in Original denomination	Date of Encashment	Actual Encashment value (USD)	Gain/(Loss) to intended value (USD)
25/10/2004	2004	Canada		Can\$	6,216,532.80	3,983,867.12	09/11/2004	IBRD	6,216,532.80	19/01/2005	5,140,136.76	1,176,289.64
21/04/2005	2005	Canada		Can\$	6,216,532.78	3,983,867.12	Nov. 2005	TREASURER	6,216,532.78	Nov. 2005	5,307,831.95	1,343,364.83
22/12/2006	2006	Canada		Can\$	4,794,373.31	3,760,292.79	19/01/2007	TREASURER	4,794,373.31	19/01/2007	4,088,320.38	328,027.59
27/06/2008	2008	Canada		Can\$	4,794,373.31	3,760,292.79	19/09/2008	TREASURER	4,794,373.31	19/09/2008	4,492,899.74	732,606.95
12/06/2009	2009	Canada		Can\$	3,834,018.00	3,855,221.72	10/12/2009	TREASURER	3,834,018.00	10/12/2009	3,608,827.18	(246,394.52)
28/05/2010	2010	Canada		Can\$	3,834,018.00	3,855,221.72	06/10/2010	TREASURER	3,834,018.00	06/10/2010	3,759,578.35	(95,643.37)
30/06/2011	2011	Canada		Can\$	3,834,018.00	3,855,221.72	15/09/2011	TREASURER	3,855,221.72	15/09/2011	3,870,009.08	14,792.38
29/06/2012	2012	Canada		Can\$	4,277,502.19	4,383,907.56	18/07/2012	TREASURER	4,277,502.19	18/07/2012	4,212,212.89	(151,694.67)
31/12/2004	2004	France		Euro	10,597,399.70	9,784,322.50	28/09/2006	TREASURER	10,597,399.70	28/09/2006	12,102,125.26	2,317,602.76
18/01/2008	2008	France		Euro	11,217,319.23	10,356,675.50	29/09/2008	TREASURER	11,217,319.23	29/09/2008	12,810,032.84	2,453,337.14
20/12/2006	2006	France		Euro	7,503,239.54	9,342,968.43	31/07/2007	TREASURER	7,503,239.54	31/07/2007	10,249,425.21	906,456.78
Dec.2007	2007	France		Euro	7,483,781.61	9,287,393.43	16/09/2008	TREASURER	7,483,781.61	16/09/2008	10,629,963.40	1,342,569.97
Dec.2008	2008	France		Euro	7,371,509.51	9,148,063.43	08/12/2009	TREASURER	7,371,509.51	08/12/2009	10,882,559.47	1,734,496.04
Oct.2009	2009	France		Euro	6,568,287.40	9,997,393.30	06/10/2010	TREASURER	6,568,287.40	06/10/2010	8,961,114.64	(1,036,278.66)
Oct.2010	2010	France		Euro	6,508,958.32	9,907,090.30	05/04/2011	TREASURER	6,508,958.32	05/04/2011	9,165,264.46	(741,825.84)
Oct.2011	2011	France		Euro	6,330,031.52	9,634,760.30	25/10/2011	TREASURER	6,330,031.52	25/10/2011	8,750,643.84	(884,116.46)
Dec.2012	2012	France		Euro	7,293,838.54	10,126,112.10	06/12/2012	TREASURER	7,293,838.54	22/01/2013	9,721,957.39	(404,154.71)
09/08/2004	2004	Germany	BU 104 1006 01	US\$	18,914,439.57	18,914,439.57	03/08/2006	TREASURER	6,304,813.19	03/08/2006	6,304,813.19	-
							11/08/2006	TREASURER	6,304,813.19	11/08/2006	6,304,813.19	-
							16/02/2007	TREASURER	3,152,406.60	16/02/2007	3,152,406.60	-
							10/08/2007	TREASURER	3,152,406.60	10/08/2007	3,152,406.60	-
									18,914,439.57			
08/07/2005	2005	Germany	BU 105 1003 01	US\$	7,565,775.83	7,565,775.83	18/04/2006	TREASURER	1,260,962.64	18/04/2006	1,260,962.64	-
							11/08/2006	TREASURER	1,260,962.64	11/08/2006	1,260,962.64	-
							16/02/2007	TREASURER	1,260,962.64	16/02/2007	1,260,962.64	-
							10/08/2007	TREASURER	1,260,962.64	10/08/2007	1,260,962.64	-
							12/02/2008	TREASURER	1,260,962.64	12/02/2008	1,260,962.64	-
							12/08/2008	TREASURER	1,260,962.63	12/08/2008	1,260,962.64	-
									7,565,775.83			
10/05/2006	2006	Germany	BU 106 1004 01	Euro	11,662,922.38	14,473,718.52	28/02/2007	TREASURER	1,943,820.40	28/02/2007	2,558,067.65	145,781.24
					2,412,286.41	2,412,286.41	10/08/2007	TREASURER	1,943,820.40	10/08/2007	2,681,305.85	269,019.44
					2,412,286.42	2,412,286.42	12/02/2008	TREASURER	1,943,820.40	12/02/2008	2,821,066.54	408,780.12
					2,412,286.42	2,412,286.42	12/08/2008	TREASURER	1,943,820.40	12/08/2008	2,930,114.87	517,828.45
					2,412,286.42	2,412,286.42	17/02/2009	TREASURER	1,943,820.40	17/02/2009	2,492,560.89	80,274.47
					2,412,286.44	2,412,286.44	12/08/2009	TREASURER	1,943,820.38	12/08/2009	2,760,613.72	348,327.28
									11,662,922.38			
23/07/2007	2007	Germany	BU 107 1006 01	Euro	11,662,922.38	14,473,718.52	12/02/2008	TREASURER	1,943,820.40	12/02/2008	2,821,066.54	408,780.12
					2,412,286.42	2,412,286.42	12/08/2008	TREASURER	1,943,820.39	12/08/2008	2,930,114.87	517,828.46
					2,412,286.40	2,412,286.40	17/02/2009	TREASURER	1,943,820.40	17/02/2009	2,492,560.89	80,274.47
					2,412,286.42	2,412,286.42	12/08/2009	TREASURER	1,943,820.38	12/08/2009	2,760,613.72	348,327.30
					2,412,286.42	2,412,286.42	11/02/2010	TREASURER	1,943,820.40	11/02/2010	3,179,312.65	767,026.23
					2,412,286.43	2,412,286.43	10/08/2010	TREASURER	1,943,820.41	10/08/2010	2,561,178.36	148,891.93
									11,662,922.38			
15/08/2008	2008	Germany	BU 108 1004 01	Euro	4,665,168.96	5,789,487.42	17/02/2009	TREASURER	777,528.16	17/02/2009	997,024.36	32,109.79
					964,914.57	964,914.57	12/08/2009	TREASURER	777,528.16	12/08/2009	1,104,245.49	139,330.92
					964,914.57	964,914.57	11/02/2010	TREASURER	777,528.16	11/02/2010	529,107.91	(435,806.66)
					964,914.57	964,914.57	10/08/2010	TREASURER	777,528.16	10/08/2010	1,024,470.50	59,555.93
					964,914.60	964,914.60	10/02/2011	TREASURER	777,528.18	10/02/2011	1,060,159.65	95,245.05
					964,914.54	964,914.54	20/06/2011	TREASURER	777,528.16	20/06/2011	1,095,381.67	130,467.13
									4,665,168.96			
18/12/2009	2009	Germany	BU 109 1007 01	Euro	9,121,815.12	13,884,041.00	11/02/2010	TREASURER	1,520,302.52	11/02/2010		
					2,314,006.88	2,314,006.88	10/08/2010	TREASURER	1,520,302.52	10/08/2010	2,003,150.60	(310,856.28)
					2,314,006.88	2,314,006.88	10/02/2011	TREASURER	1,520,302.52	10/02/2011	2,372,932.48	(241,074.39)
					2,314,006.88	2,314,006.88	20/06/2011	TREASURER	1,520,302.52	20/06/2011	2,141,802.19	(172,204.69)
					2,314,006.88	2,314,006.88	03/02/2012	TREASURER	1,520,302.52	03/02/2012	2,002,998.57	(311,008.31)
					2,314,006.60	2,314,006.60	08/08/2012	TREASURER	1,520,302.52	08/08/2012	1,981,982.56	(432,024.04)
									9,121,815.12			
14/04/2010	2010	Germany	BU 110 1002 01	Euro	9,121,815.12	13,884,041.00	10/02/2011	TREASURER	1,520,302.52	10/02/2011	2,072,932.48	(241,074.40)
					2,314,006.88	2,314,006.88	20/06/2011	TREASURER	1,520,302.52	20/06/2011	2,141,802.19	(172,204.69)
					2,314,006.88	2,314,006.88	03/02/2012	TREASURER	1,520,302.52	03/02/2012	2,002,998.57	(311,008.31)
					2,314,006.88	2,314,006.88	08/08/2012	TREASURER	1,520,302.52	08/08/2012	1,981,982.56	(432,024.04)
					2,314,006.88	2,314,006.88	12/02/2013	TREASURER	1,520,302.52	12/02/2013	2,191,357.39	(276,643.49)
					2,314,006.60	2,314,006.60	12/08/2013	TREASURER	1,520,302.52	12/08/2013	2,028,843.72	(285,162.88)
									9,121,815.12			
27/04/2011	2011	Germany	BU 111 1001 01	Euro	3,648,726.05	5,553,816.51	03/02/2012	TREASURER	608,121.01	03/02/2012	801,199.43	(124,403.32)
					925,602.75	925,602.75	08/08/2012	TREASURER	608,121.00	08/08/2012	752,792.66	(172,809.89)
					925,602.75	925,602.75	12/02/2013	TREASURER	608,121.01	12/02/2013	814,942.98	(110,659.77)
					925,602.75	925,602.75	12/08/2013	TREASURER	608,121.01	12/08/2013	811,537.48	(114,065.27)
						1,851,205.51	BALANCE	TREASURER				



**TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL****Table 12: OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT 6 DECEMBER 2013  
(IN US\$)**

	<b>Due in 2014</b>	<b>Due in 2015</b>	<b>Due in 2016</b>	<b>TOTAL</b>
<b><u>GERMANY:</u></b>				
2011	1,851,206			1,851,206
2012	4,546,021	4,546,020		9,092,041
2013	4,546,021	4,546,021	4,546,020	13,638,061
<b><u>USA</u></b>				
2013	1,666,666			1,666,666
	<b>12,609,913</b>	<b>9,092,041</b>	<b>4,546,020</b>	<b>26,247,974</b>

**NOTE:**

Germany's promissory notes due are payable in February and August of the relevant years.

USA's promissory notes due are payable in November of the relevant years.

Annex II

REMAINING ACTIVITIES REQUIRED/NOT REQUIRED FOR COMPLIANCE

Country	Agency	Type	Chemical	Sector and Subsector	Value (\$000) in 2013	ODP in 2013
<b>Required for compliance</b>						
Angola	UNDP	INV	HCFC	HPMP	77	0.6
Armenia	UNEP	PRP	HCFC	Stage 2 - HCFC Phase-out Management Plan (preparation)	29	
Armenia	UNDP	PRP	HCFC	Stage II HPMP Preparation	64	0.0
Bangladesh	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	102	1.0
Bolivia	Germany	INV	HCFC	REF-Servicing	107	0.5
Brazil	UNDP	INV	HCFC	HPMP	3,225	33.7
Burundi	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	34	0.2
Central African Republic (the)	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	62	0.4
China	Japan	PHA	HCFC	HCFC Phase Out Plan	90	1.0
China	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (servicing sector, including enabling)	1,228	13.9
China	UNEP	PRP	HCFC	Stage 2 - HCFC Phase-out Management Plan (servicing sector, including enabling)	537	
Colombia	UNDP	PRP	HCFC	Stage II HPMP Preparation	375	0.0
Cuba	UNDP	INV	HCFC	HPMP	175	1.8
Democratic Republic of the Congo (the)	UNEP	PRP	HCFC	Stage 2 - HCFC Phase-out Management Plan (preparation)	68	
Democratic Republic of the Congo (the)	UNDP	PRP	HCFC	Stage II HPMP Preparation	26	0.0
Egypt	UNIDO	PRP	HCFC	FOA-Rigid PU foam	54	
Egypt	UNIDO	PRP	HCFC	REF-Manufacturing	108	
Egypt	UNIDO	PRP	HCFC	REF-Servicing	108	
Equatorial Guinea	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	34	0.2
Gabon	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	52	0.9
India	UNEP	PRP	HCFC	Stage-2 HCFC Phase-out Management Plan (preparation)	33	
Iran (Islamic Republic of)	UNIDO	PHA	HCFC	FOA	109	1.0
Iran (Islamic Republic of)	UNDP	INV	HCFC	HPMP	514	4.7
Iran (Islamic Republic of)	UNIDO	PRP	HCFC	REF-Manufacturing	62	
Iran (Islamic Republic of)	UNIDO	PRP	HCFC	REF-Servicing	62	
Iran (Islamic Republic of)	UNEP	PRP	HCFC	Stage 2 - HCFC Phase-out Management Plan (preparation)	31	
Iraq	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	567	6.4
Iraq	UNIDO	PHA	HCFC	REF-Servicing	75	0.9
Jordan	IBRD	PHA	HCFC	REF (AC)	906	6.0
Jordan	UNIDO	PHA	HCFC	REF-Servicing	24	0.2
Kyrgyzstan	UNEP	PRP	HCFC	Stage 2 - HCFC Phase-out Management Plan (preparation)	29	
Kyrgyzstan	UNDP	PRP	HCFC	Stage II HPMP Preparation	64	

Country	Agency	Type	Chemical	Sector and Subsector	Value (\$000) in 2013	ODP in 2013
Mauritania	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	65	0.9
Mauritania	UNDP	INV	HCFC	HPMP Stage I	75	0.9
Mexico	UNIDO	PRP	HCFC	REF-Servicing	209	
Nigeria	UNIDO	PRP	HCFC	REF - Manufacturing	54	
Nigeria	UNDP	PRP	HCFC	Stage II HPMP Preparation	193	0.0
Oman	UNIDO	PRP	HCFC	REF-Servicing	69	
Pakistan	UNIDO	PRP	HCFC	FOA-Rigid PU foam	107	
Pakistan	UNEP	PRP	HCFC	HCFC Phase-out Management Plan (preparation Stage-II)	68	
Pakistan	UNIDO	PRP	HCFC	REF-Servicing	161	
Peru	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	23	0.3
Peru	UNDP	INV	HCFC	HPMP	109	1.3
Qatar	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	170	4.3
Qatar	UNIDO	PHA	HCFC	REF-Servicing	572	15.1
Republic of Moldova (the)	UNEP	PRP	HCFC	Stage 2 - HCFC Phase-out Management Plan (preparation)	29	
Republic of Moldova (the)	UNDP	PRP	HCFC	Stage II HPMP Preparation	64	0.0
Saudi Arabia	UNIDO	PHA	HCFC	REF-Air conditioning	3,179	135.3
South Sudan	UNDP	INV	HCFC	CP/HPMP Stage I	100	0.9
Suriname	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	32	0.1
Syrian Arab Republic	UNEP	PHA	HCFC	HCFC Phase-out Management Plan (implementation)	119	
Thailand	IBRD	PHA	HCFC	FOA/REF (AC)	10,386	98.8
Timor-Leste	UNEP	PRP	HCFC	Stage 2 -HCFC Phase-out Management Plan (preparation)	67	
Timor-Leste	UNDP	PRP	HCFC	Stage II HPMP Preparation	27	0.0
Venezuela (Bolivarian Republic of)	UNIDO	PRP	HCFC	FOA-Rigid PU foam	32	
Venezuela (Bolivarian Republic of)	UNIDO	PRP	HCFC	REF-Servicing	161	
Algeria	UNEP	INS	SEV	Institutional Strengthening	257	
Bahamas (the)	UNEP	INS	SEV	Institutional Strengthening	60	
Dominica	UNEP	INS	SEV	Institutional Strengthening	60	
Ecuador	UNEP	INS	SEV	Institutional Strengthening	177	
Equatorial Guinea	UNEP	INS	SEV	Institutional Strengthening	80	
Ethiopia	UNEP	INS	SEV	Institutional Strengthening	60	
Guatemala	UNEP	INS	SEV	Institutional Strengthening	125	
Haiti	UNEP	INS	SEV	Institutional Strengthening	100	
Mauritania	UNEP	INS	SEV	Institutional Strengthening	60	
Mauritius	UNEP	INS	SEV	Institutional Strengthening	60	
Morocco	UNEP	INS	SEV	Institutional Strengthening	156	
South Sudan	UNEP	INS	SEV	Institutional Strengthening	60	
Syrian Arab Republic	UNIDO	INS	SEV	Institutional strengthening	219	
Uganda	UNEP	INS	SEV	Institutional Strengthening	63	
<b>Not required for compliance</b>						
Algeria	UNIDO	DEM	Disposal	ODS destruction demonstration project	535	50.0
Lebanon	UNIDO	DEM	Disposal	ODS destruction demonstration project	164	14.0

<b>Country</b>	<b>Agency</b>	<b>Type</b>	<b>Chemical</b>	<b>Sector and Subsector</b>	<b>Value (\$000) in 2013</b>	<b>ODP in 2013</b>
Region: ASP	Japan	DEM	Disposal	ODS disposal in Asia and the Pacific region.	1,000	
Region: AFR	UNEP	TAS	MBR	Regional Technical Workshops for sustainable adoption of Methyl Bromide Alternative technologies	120	

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**Annex III**

**PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS WERE REQUESTED**

<b>Code</b>	<b>Agency</b>	<b>Project title</b>	<b>Reasons</b>
AFG/PHA/63/INV/13	Germany	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor progress in implementation for the tranches of HPMP and the low disbursement rates of approved funds.
BOT/PHA/60/PRP/14	Germany	Preparation of a HCFC phase-out management plan	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the actions taken by Botswana towards the establishment of the licensing system for ODS imports and exports to enable its HPMP to be submitted based on the guidelines in decision 60/44.
ARG/PHA/66/INV/171	IBRD	HCFC phase-out management plan (stage I, first tranche) (phase-out of HCFC-141b in the production of polyurethane rigid insulation foam for domestic refrigerators at Mabe)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the progress of implementation, the disbursement rates of approved funds, as well as the signature of the grant agreement.
ARG/PHA/66/TAS/170	IBRD	HCFC phase-out management plan (stage I, first tranche) (monitoring and reporting of HCFC-22 production)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the progress of implementation, the disbursement rates of approved funds, as well as the signature of the grant agreement.
CPR/FOA/59/DEM/491	IBRD	Conversion demonstration from HCFC-141b-based to cyclopentane-based pre-blended polyol in the manufacture of rigid polyurethane foam at Guangdong Wanhua Rongwei Polyurethane Co. Ltd	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the 2014 completion of the HCFC foam demonstration project.
JOR/PHA/65/INV/91	IBRD	HCFC phase-out management plan (stage I, first tranche) (air-conditioning sector plan)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor for the second consecutive meeting the progress of implementation as well as the low disbursement rates of approved funds.
THA/PHA/68/INV/161	IBRD	HCFC phase-out management plan (stage I, first tranche) (foam sector plan)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the grant agreement.
THA/PHA/68/INV/162	IBRD	HCFC phase-out management plan (stage I, first tranche) (residential air-conditioning group project)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the grant agreement.
ASP/DES/54/PRP/53	Japan	Project preparation for a demonstration project on ODS disposal	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the preparation of a demonstration project if the request for funding was finalized and resubmitted to the 72 <sup>nd</sup> meeting.

Code	Agency	Project title	Reasons
ANG/PHA/65/INV/10	UNDP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor low disbursement rates of approved funds.
BRA/PHA/68/INV/298	UNDP	HCFC phase-out management plan (stage I, second tranche) (foam sector plan)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor low rates of disbursement of approved funds.
BRA/REF/47/DEM/275	UNDP	Demonstration project for integrated management of the centrifugal chiller sub-sector, focusing on application of energy-efficient CFC-free technologies for replacement of CFC-based chillers	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor low rates of disbursement of approved funds.
BRA/SEV/66/INS/297	UNDP	Extension of institutional strengthening project (phase VII: 1/2012-12/2013)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the low disbursement of approved funds.
BZE/PHA/62/INV/26	UNDP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the zero level of disbursement and the equipment process in the HPMP for Belize, approved three year previously.
CUB/PHA/65/INV/49	UNDP	HCFC phase-out management plan (stage I, first tranche) (phase-out of HCFC-141b contained in formulated polyols in the foam sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the low level of disbursement of approved funds and the signature of the document/letter of agreement for the HPMP for Cuba, approved over one year previously.
CUB/PHA/68/INV/50	UNDP	HCFC phase-out management plan (stage I, second tranche) (phase-out of HCFC-141b contained in formulated polyols in the foam sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting, for the second consecutive meeting, to monitor the zero level of disbursement.
HAI/PHA/58/INV/14	UNDP	Terminal phase-out management plan for Annex A Group I substances (first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor low disbursement rates of approved funds.
IND/DES/61/PRP/437	UNDP	Preparation of a project for demonstration of a sustainable technological, financial and management model for disposal of ODS	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor progress on the ODS disposal preparation activities in India, if the project is not submitted to the 72 <sup>nd</sup> meeting.
MDV/PHA/60/INV/20	UNDP	HCFC phase-out management plan (first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting on the HPMP approved over three years previously and the low disbursement rates of approved funds.
MDV/REF/38/TAS/05	UNDP	Implementation of the RMP: awareness and incentive programme	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the balance of funds for the RMP activities.

Code	Agency	Project title	Reasons
NEP/PHA/66/INV/30	UNDP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the low level of disbursement and the signature of the document/letter of agreement for the HPMP for Nepal, approved over one year previously.
STK/PHA/64/TAS/16	UNDP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor for the second consecutive meeting the low level of disbursement and the signature of the document/letter of agreement for the HPMP for Saint Kitts and Nevis, approved over two years previously.
ALG/SEV/57/INS/69	UNEP	Extension of the institutional strengthening project (phase V)	To request, for the sixth consecutive meeting, the submission of additional status reports to the 72 <sup>nd</sup> meeting to monitor the signature of the new agreement for the IS project and implementation progress.
ANT/PHA/66/TAS/14	UNEP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the signature of the agreement.
BAH/PHA/68/TAS/28	UNEP	HCFC phase-out management plan (stage I, first tranche) (policy, refrigeration servicing, monitoring and verification)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the agreement.
BGD/PHA/65/TAS/39	UNEP	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor progress in project implementation for the HPMP approved over one year previously, with low disbursement of approved funds, and the signature of the relevant agreement.
BRU/SEV/67/INS/14	UNEP	Renewal of the institutional strengthening project (phase III: 1/2013-12/2014)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the renewal or extension of project.
DOM/PHA/69/TAS/52	UNEP	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor progress in project implementation and disbursement rate.
ECU/SEV/59/INS/43	UNEP	Extension of institutional strengthening project (phase V)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the rate of disbursement of approved funds for the renewal or extension of project.

<b>Code</b>	<b>Agency</b>	<b>Project title</b>	<b>Reasons</b>
ELS/PHA/65/TAS/28	UNEP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor progress in project implementation for the HPMP approved over one year previously with disbursement reported but lower than 10 per cent, and the signature of the relevant agreement.
ERI/PHA/67/TAS/11	UNEP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor signature of the agreement.
GUA/PHA/64/TAS/42	UNEP	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor progress in project implementation for the HPMP approved over one year previously, with low disbursement of approved funds, and the signature of the relevant agreement.
IRQ/PHA/65/TAS/17	UNEP	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor progress in project implementation for the HPMP approved over one year previously, with low disbursement rates of approved funds, and the signature of the relevant agreement.
KUW/PHA/57/TAS/15	UNEP	TPMP verification	To request a verification report to the 72 <sup>nd</sup> meeting
KUW/PHA/66/TAS/19	UNEP	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector and monitoring and verification)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor progress in project implementation for the HPMP approved over one year previously, with low disbursement of approved funds, and the signature of the relevant agreement.
MAU/PHA/55/PRP/20	UNEP	Preparation of a HCFC phase-out management plan	To request the submission of additional status reports to the 72 <sup>nd</sup> meeting to monitor HPMP project preparation activity, if the project is not submitted to the 72 <sup>nd</sup> meeting.
MAU/SEV/49/INS/17	UNEP	Renewal of institutional strengthening project (phase IV)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting in order to monitor the signature of the renewal or extension of project.
MAU/SEV/57/INS/23	UNEP	Renewal of the institutional strengthening project (phase V)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor: (1) the rate of disbursement of approved funds; and (2) the signature of the renewal or extension of project.

Code	Agency	Project title	Reasons
MOR/SEV/59/INS/63	UNEP	Renewal of the institutional strengthening project (phase IV)	(1) To request, for the fourth consecutive meeting, the submission of additional status report to the 72 <sup>nd</sup> meeting on project document signature for institutional strengthening. (2) To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the rate of disbursement of approved funds for the renewal or extension of project.
PER/PHA/68/TAS/47	UNEP	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the agreement.
QAT/PHA/65/TAS/17	UNEP	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor progress in project implementation for the HPMP approved over one year previously, with low disbursement rates of approved funds, and the signature of the relevant agreement.
SAU/PHA/68/TAS/18	UNEP	HCFC phase-out management plan (stage I, first tranche) (polyurethane foam sector plan)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the agreement.
SAU/SEV/67/INS/15	UNEP	Extension of the institutional strengthening project (phase II: 7/2012-6/2014)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the renewal or extension of project.
VEN/PHA/67/TAS/121	UNEP	HCFC phase-out management plan (stage I, second tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor the signature of the relevant agreement and the low rate of disbursement.
YEM/REF/37/TAS/19	UNEP	Implementation of the RMP: monitoring the activities in the RMP	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the closure of the RMP in Yemen.
ALG/FOA/62/INV/75	UNIDO	Conversion from HCFC-141b in the manufacture of polyurethane rigid insulation foam for domestic refrigerators at Cristor	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the agreement signature.
ALG/PHA/66/INV/76	UNIDO	HCFC phase-out management plan (stage I, first tranche) (conversion from HCFC-22 in the manufacture of room air conditioners at Condor)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved over one year previously, with disbursement reported but lower than 10 per cent.
ALG/PHA/66/INV/77	UNIDO	HCFC phase-out management plan (stage I, first tranche) (activities in the refrigeration servicing sector including phase-out of HCFC-141b used for flushing, and project monitoring)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved over one year previously, with disbursement reported but lower than 10 per cent.

Code	Agency	Project title	Reasons
ARG/PHA/66/INV/169	UNIDO	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor HPMP approved over one year previously and the low disbursement rates of approved funds.
EGY/PHA/65/TAS/111	UNIDO	HCFC phase-out management plan (stage I, first tranche) (coordination and management)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the agreement signature.
EGY/PHA/65/TAS/114	UNIDO	HCFC phase-out management plan (stage I, first tranche) (enabling activities in the refrigeration and air-conditioning sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the agreement signature.
ETH/FUM/54/PRP/18	UNIDO	Project preparation in the fumigant sector (flowers)	To request, for the fifth consecutive meeting, the submission of additional status report to the 72 <sup>nd</sup> meeting in order to monitor: (a) the project preparation in case the project is not submitted at the 72 <sup>nd</sup> meeting; (b) the selection process for the national expert for the methyl bromide preparation project.
IDS/PHA/64/INV/194	UNIDO	HCFC phase-out management plan (umbrella project to phase-out HCFC-141b used at Isotech Jaya Makmur, Airtekindo, Sinar Lentera Kencana and Mayer Jaya) (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved over one year previously, with disbursement reported but lower than 10 per cent.
IRQ/PHA/65/INV/16	UNIDO	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved two years ago and for which no disbursement had been recorded.
IVC/PHA/66/INV/36	UNIDO	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor HPMP approved over one year previously, with low disbursement rates of approved funds and signature of agreement.
KUW/PHA/66/INV/18	UNIDO	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved over one year previously, with disbursement reported but lower than 10 per cent.
KUW/PHA/66/INV/20	UNIDO	HCFC phase-out management plan (stage I, first tranche) (polyurethane foam sector phase-out: Kuwait polyurethane Industry Co.; Kirby Building Systems, technical assistance to spray foam users and other small users)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved over one year previously, with disbursement reported but lower than 10 per cent.
KUW/PHA/66/INV/21	UNIDO	HCFC phase-out management plan (stage I, first tranche) (extruded polystyrene foam sector phase-out: Gulf Insulating Materials Manufacturing and Trading; Isofoam Insulating Materials Plants; and Al Masaha Company)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved over one year previously, with disbursement reported but lower than 10 per cent.

Code	Agency	Project title	Reasons
MOZ/PHA/66/INV/23	UNIDO	HCFC phase-out management plan (stage I, first tranche)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor HPMP approved over one year previously and the low disbursement rates of approved funds.
QAT/PHA/65/INV/18	UNIDO	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting for the second consecutive meeting to monitor HPMP approved over one year previously, with low disbursement rates of approved funds.
QAT/PHA/65/INV/19	UNIDO	HCFC phase-out management plan (stage I, first tranche) (sector conversion from HCFC-142b/HCFC-22 in the production of extruded polystyrene insulation boards to low GWP isobutene at Qatar Insulation, Orient Insulation and Al Kawthar Insulation)	To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor HPMP approved over one year previously, with disbursement reported but lower than 10 per cent.
QAT/SEV/59/INS/15	UNIDO	Renewal of institutional strengthening project (phase III)	(1) To request, for the fifth consecutive meeting, the submission of additional status reports to the 72 <sup>nd</sup> meeting: (a) on project document signature for institutional strengthening; (b) to monitor progress of the institutional strengthening project. (2) To request the submission of additional status report to the 72 <sup>nd</sup> meeting to monitor the recruitment of the National Ozone Officer and new activities implemented for the institutional strengthening project.
SYR/PHA/58/INV/99	UNIDO	National CFC phase-out plan (third tranche)	To request, for the fifth consecutive meeting, the submission of additional status reports to the 72 <sup>nd</sup> meeting to monitor project with issues related to delays in the implementation of the TPMP due to the political and/or security situation in this country.
SYR/REF/62/INV/103	UNIDO	Phase-out of HCFC-22 and HCFC-141b from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels at Al Hafez Group	To request additional status report to the 72 <sup>nd</sup> meeting on project progress given the security and political situation in the country.

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**Annex IV**

**COMPLETION OF CFC, CTC AND HALON PROJECTS APPROVED FROM 2009 AND BEYOND**

Country	Agency	Code	Project title	Final completion dates
Algeria	UNIDO	ALG/PHA/58/INV/71	National phase-out plan (second tranche)	31-Dec-13
Bahrain	UNEP	BAH/PHA/59/TAS/21	Terminal phase-out management plan (second tranche)	31-Mar-14
Brazil	UNDP	BRA/PHA/59/INV/293	National CFC phase-out plan (eighth tranche)	31-Dec-13
Burundi	UNEP	BDI/PHA/62/TAS/26	Terminal phase-out management plan (second tranche)	31-Dec-13
Burundi	UNIDO	BDI/PHA/62/INV/27	Terminal phase-out management plan (second tranche)	31-Dec-13
China	UNIDO	CPR/REF/59/INV/490	Refrigeration servicing sector CFC phase-out plan (sixth tranche)	31-Dec-13
Congo (the)	UNIDO	PRC/PHA/60/INV/21	Terminal phase-out management plan (second tranche)	31-Dec-13
Cote d'Ivoire	UNIDO	IVC/PHA/58/INV/34	Terminal phase-out management plan (second tranche)	31-Mar-14
Cuba	UNDP	CUB/PHA/59/INV/44	National ODS phase-out plan for CFCs: 2009 and 2010 annual implementation plans	31-Dec-13
Djibouti	UNEP	DJI/PHA/59/TAS/17	Terminal phase out management plan for CFCs (second tranche)	31-Dec-13
Dominica	UNDP	DMI/PHA/61/INV/17	Terminal CFC phase-out management plan (fourth tranche)	31-Dec-13
Dominica	UNEP	DMI/PHA/61/TAS/18	Terminal CFC phase-out management plan (fourth tranche)	31-Dec-13
Ecuador	UNEP	ECU/PHA/61/TAS/48	National CFC phase-out plan (third tranche)	31-Dec-13
Ecuador	UNEP	ECU/PHA/61/TAS/50	National CFC phase-out plan (fourth tranche)	31-Dec-13
Ecuador	UNEP	ECU/PHA/61/TAS/52	National CFC phase-out plan (fifth tranche)	31-Dec-13
Egypt	UNIDO	EGY/PHA/60/INV/101	National CFC phase-out plan (fourth and fifth tranches)	31-Dec-13
Equatorial Guinea	UNEP	EQG/PHA/57/TAS/04	Terminal phase-out management plan (first tranche)	31-Dec-13
Eritrea	UNEP	ERI/PHA/63/TAS/08	Terminal phase-out management plan for CFCs (second tranche)	31-Dec-13
Eritrea	UNIDO	ERI/PHA/63/INV/09	Terminal phase-out management plan for CFCs (second tranche)	31-Dec-13
Grenada	UNEP	GRN/PHA/59/TAS/15	Terminal phase-out management plan (third tranche)	31-Dec-13
Guinea	UNIDO	GUI/PHA/60/INV/24	Terminal phase-out management plan (second tranche)	31-Dec-13
Haiti	UNDP	HAI/PHA/58/INV/14	Terminal phase-out management plan for Annex A Group I substances (first tranche)	31-Dec-14
Haiti	UNEP	HAI/PHA/58/TAS/15	Terminal phase-out management plan for Annex A Group I substances (first tranche)	30-Sep-14
Honduras	UNEP	HON/PHA/59/TAS/32	Terminal phase-out management plan (second tranche)	31-Dec-13
Iran (the Islamic Republic of)	UNIDO	IRA/HAL/63/TAS/198	Halon management programme	31-Mar-14
Iraq	UNEP	IRQ/PHA/63/TAS/14	National phase-out plan (second tranche)	31-Dec-14
Iraq	UNEP	IRQ/PHA/58/TAS/10	National phase-out plan (first tranche)	31-Dec-14

Country	Agency	Code	Project title	Final completion dates
Iraq	UNIDO	IRQ/FOA/57/INV/06	Conversion from CFC-11 to methylene chloride in the production of flexible slabstock foam at Al Hadi Co.	31-Dec-14
Iraq	UNIDO	IRQ/REF/57/INV/07	Replacement of refrigerant CFC-12 with isobutane and foam blowing agent CFC-11 with cyclopentane in the manufacture of domestic refrigerators and chest freezers at Light Industries Company	31-Dec-14
Iraq	UNIDO	IRQ/PHA/63/INV/15	National phase-out plan (second tranche)	31-Dec-14
Iraq	UNIDO	IRQ/PHA/58/INV/09	National phase-out plan (first tranche)	31-Dec-14
Kuwait	UNEP	KUW/PHA/57/TAS/15	TPMP verification	31-Mar-14
Lao People's Democratic Republic (the)	France	LAO/PHA/61/INV/21	Terminal phase-out management plan (second tranche)	31-Dec-13
Mauritania	UNEP	MAU/PHA/57/TAS/21	Terminal phase-out management plan for CFCs (second tranche)	31-Dec-13
Montenegro	UNIDO	MOG/PHA/58/INV/06	Terminal phase-out plan for CFCs (second tranche)	31-Dec-13
Mozambique	UNEP	MOZ/PHA/59/TAS/18	Terminal phase-out management plan (second tranche)	31-Dec-13
Nepal	UNDP	NEP/PHA/57/INV/26	Terminal phase-out management plan (second tranche)	31-Dec-13
Peru	UNIDO	PER/PHA/65/INV/44	Terminal phase-out management plan for Annex A Group I substances (first tranche)	31-Mar-14
Qatar	UNEP	QAT/PHA/59/TAS/14	Terminal phase-out management plan (second tranche)	31-Mar-14
Qatar	UNIDO	QAT/PHA/59/INV/13	Terminal phase-out management plan (second tranche)	31-Dec-13
Rwanda	UNEP	RWA/PHA/57/TAS/16	Terminal phase-out management plan for CFCs (second tranche)	31-Dec-13
Samoa	UNDP	SAM/PHA/57/INV/13	Terminal phase-out management plan (second tranche)	31-Dec-13
Saudi Arabia	UNEP	SAU/PHA/61/TAS/09	National phase-out plan (second tranche)	31-Mar-14
Saudi Arabia	UNIDO	SAU/PHA/61/INV/10	National phase-out plan (second tranche)	31-Dec-13
Serbia	UNIDO	YUG/PHA/60/INV/36	National CFC phase-out plan (fourth and fifth tranches)	30-Jun-14
Serbia	UNIDO	YUG/PHA/60/TAS/35	National CFC phase-out plan (first tranche)	31-Dec-13
Sierra Leone	UNEP	SIL/PHA/61/TAS/23	Terminal phase-out management plan (second tranche)	31-Dec-13
Swaziland	UNEP	SWA/PHA/59/TAS/15	Terminal phase-out management plan (second tranche)	31-Dec-13
Syrian Arab Republic	UNIDO	SYR/PHA/58/INV/99	National CFC phase-out plan (third tranche)	31-Dec-13
Tanzania (the United Republic of)	UNDP	URT/PHA/58/INV/28	Terminal phase-out management plan (second tranche)	31-Dec-13
Tanzania (the United Republic of)	UNEP	URT/PHA/58/TAS/27	Terminal phase-out management plan (second tranche)	31-Dec-13
Thailand	IBRD	THA/PHA/60/INV/154	National CFC phase-out plan: 2010-2012 annual implementation plan	31-Dec-13

<b>Country</b>	<b>Agency</b>	<b>Code</b>	<b>Project title</b>	<b>Final completion dates</b>
The former Yugoslav Republic of Macedonia	UNIDO	MDN/PHA/59/INV/28	Terminal phase-out management plan for CFCs (fifth tranche)	31-Dec-13
Tunisia	UNIDO	TUN/PHA/68/INV/54	National ODS phase-out plan (second tranche)	31-Mar-14
Uruguay	UNDP	URU/PHA/60/INV/54	Terminal phase-out management plan for Annex A Group I Substances (third tranche)	31-Dec-13
Yemen	UNEP	YEM/PHA/60/TAS/35	National ODS phase-out plan (second tranche)	31-Mar-14
Yemen	UNIDO	YEM/PHA/60/INV/36	National ODS phase-out plan (second tranche)	30-Jun-14

**Annex V**

**PERFORMANCE INDICATORS FOR UNDP**

<b>Item</b>	<b>2014 Targets</b>
Number of annual programmes of MYAs approved versus those planned (new plus tranches of ongoing MYAs)	21
Number of individual projects/activities (investment and demonstration projects, technical assistance, IS) approved versus those planned	14
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	18
ODS phased-out for individual projects versus those planned per progress reports	45.3
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	19
Number of policy/regulatory assistance completed versus that planned	1 (100%)
Speed of financial completion versus that required per progress report completion dates	On time
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

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**Annex VI**

**PERFORMANCE INDICATORS FOR UNEP**

<b>Item</b>	<b>2014 Targets</b>
Number of annual programmes of multi-year agreements approved versus those planned	29
Number of individual projects/activities (investment and demonstration projects, technical assistance, institutional strengthening) approved versus those planned	65
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	26
ODS phased-out for individual projects versus those planned per progress reports	0.0 ODP tonnes
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	49
Number of policy/regulatory assistance completed versus that planned	100% of countries listed in the annex of UNEP's 2014 CAP Budget either received assistance or assistance was offered
Speed of financial completion versus that required per progress report completion dates	On time
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

**PERFORMANCE INDICATORS FOR UNEP'S COMPLIANCE ASSISTANCE PROGRAMME  
(CAP)**

<b>Performance Indicator</b>	<b>Data</b>	<b>Assessment</b>	<b>2014 Targets</b>
Efficient follow-up to regional network/thematic meetings	List of recommendations emanating from 2011 regional network/thematic meetings	Implementation rate of those meeting recommendations that are to be implemented in 2012	90 % implementation rate
Effective support to NOUs in their work, particularly guidance to new NOUs	List of innovative ways/means/products/services for supporting NOUs in their work, with specification of those destined for new NOUs	Number of innovative ways/means/products/services for supporting NOUs in their work, with specification of those destined for new NOUs	-7 such ways, means, products, services; -All new NOUs receive capacity building support. -10 additional countries submit CP reports using the Multilateral Fund Secretariat's online data reporting system.
Assistance to countries in actual or potential non-compliance (as per MOP decisions and/or as per reported Article 7 data and trend analysis)	List of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	Number of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	All such countries
Innovations in production and delivery of global and regional information products and services	List of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	Number of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	7 such products and services
Close cooperation between CAP regional teams and IAs and BAs working in the regions	List of joint missions/undertakings of CAP regional staff with IAs and BAs	Number of joint missions/undertakings	5 in each region

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**Annex VII**

**PERFORMANCE INDICATORS FOR UNIDO**

<b>Item</b>	<b>2014 Targets</b>
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of on-going MYAs)	22
Number of individual projects/activities (investment and demonstration projects, technical assistance, IS) approved versus those planned	10
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	19
ODS phased-out for individual projects versus those planned per progress reports	190.7
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	11
Number of policy/regulatory assistance completed versus that planned	N/A
Speed of financial completion versus that required per progress report completion dates	12 months after operational completion
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

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**Annex VIII**

**PERFORMANCE INDICATORS FOR THE WORLD BANK**

<b>Item</b>	<b>2014 Targets</b>
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	5
Number of individual projects/activities (investment and demonstration projects, technical assistance, institutional strengthening) approved versus those planned	3
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	5
ODS phased-out for individual projects versus those planned per progress reports	111.4
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	3
Number of policy/regulatory assistance completed versus that planned	100%
Speed of financial completion versus that required per progress report completion dates	30 months
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

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# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>ALBANIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report for stage I of HCFC phase-out management plan	UNIDO		\$30,000	\$2,700	\$32,700	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Albania and the Executive Committee for the reduction of consumption of HCFCs.</i>						
<b>Total for Albania</b>			<b>\$30,000</b>	<b>\$2,700</b>	<b>\$32,700</b>	
<b>ARGENTINA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension for institutional strengthening project (phase VIII: 1/2014-12/2015)	UNDP		\$311,567	\$21,810	\$333,377	
<b>Total for Argentina</b>			<b>\$311,567</b>	<b>\$21,810</b>	<b>\$333,377</b>	
<b>BAHAMAS</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between the Bahamas and the Executive Committee for the reduction of consumption of HCFCs.</i>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.2	\$49,550	\$6,442	\$55,992	
HCFC phase-out management plan (stage I, second tranche)	UNIDO	0.2	\$10,464	\$942	\$11,406	
<b>Total for Bahamas</b>			<b>0.5</b>	<b>\$90,014</b>	<b>\$11,284</b>	<b>\$101,298</b>
<b>BANGLADESH</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of the institutional strengthening project (phase VII: 1/2014-12/2015)	UNDP		\$130,000	\$9,100	\$139,100	
<b>Total for Bangladesh</b>			<b>\$130,000</b>	<b>\$9,100</b>	<b>\$139,100</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>BENIN</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of institutional strengthening project (phase VIII: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000	
<b>Total for Benin</b>			<b>\$60,000</b>		<b>\$60,000</b>	
<b>BHUTAN</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase V: 12/2013-11/2015)	UNEP		\$60,000	\$0	\$60,000	
<b>Total for Bhutan</b>			<b>\$60,000</b>		<b>\$60,000</b>	
<b>BOSNIA AND HERZEGOVINA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase IV: 3/2014-2/2016)	UNIDO		\$95,333	\$6,673	\$102,006	
<b>Total for Bosnia and Herzegovina</b>			<b>\$95,333</b>	<b>\$6,673</b>	<b>\$102,006</b>	
<b>BURUNDI</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase VI: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000	
<b>Total for Burundi</b>			<b>\$60,000</b>		<b>\$60,000</b>	
<b>CAMEROON</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (refrigeration servicing sector plan) (stage I, second tranche)	UNIDO	2.0	\$180,000	\$13,500	\$193,500	
<p><i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 77.56 ODP tonnes, calculated using estimated consumption of 81.70 ODP tonnes reported under the HPMP survey for 2009 and actual consumption of 73.40 ODP tonnes reported for 2010 under Article 7 of the Montreal Protocol.</i></p>						

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase IX: 1/2014-12/2015)	UNEP		\$139,532	\$0	\$139,532	
	<b>Total for Cameroon</b>	<b>2.0</b>	<b>\$319,532</b>	<b>\$13,500</b>	<b>\$333,032</b>	
<b>CAPE VERDE</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP		\$35,000	\$4,550	\$39,550	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase IV: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000	
	<b>Total for Cape Verde</b>		<b>\$95,000</b>	<b>\$4,550</b>	<b>\$99,550</b>	
<b>CENTRAL AFRICAN REPUBLIC</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between the Central African Republic and the Executive Committee for the reduction of consumption of HCFCs.</i>						
	<b>Total for Central African Republic</b>		<b>\$30,000</b>	<b>\$3,900</b>	<b>\$33,900</b>	
<b>CHAD</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase VI: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000	
	<b>Total for Chad</b>		<b>\$60,000</b>		<b>\$60,000</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>CHILE</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.5	\$40,127	\$5,217	\$45,344	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 87.5 ODP tonnes, calculated using actual consumption of 75.2 ODP tonnes and 99.8 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.</i>						
HCFC phase-out management plan (stage I, second tranche)	UNDP	6.6	\$537,357	\$40,302	\$577,659	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 87.5 ODP tonnes, calculated using actual consumption of 75.2 ODP tonnes and 99.8 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.</i>						
<b>Total for Chile</b>		<b>7.1</b>	<b>\$577,484</b>	<b>\$45,519</b>	<b>\$623,003</b>	
<b>CHINA</b>						
<b>FUMIGANT</b>						
<b>Methyl bromide</b>						
National phase-out of methyl bromide (phase II, eighth tranche)	UNIDO		\$500,000	\$37,500	\$537,500	
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) (polyurethane rigid foam sector plan)	IBRD	255.6	\$13,592,000	\$951,440	\$14,543,440	
<i>Approved on an exceptional basis and on the understanding that funding would be disbursed by the Treasurer to the World Bank only after the Secretariat had accepted as sufficient information provided by the World Bank to the effect that disbursement of 20 per cent or more of the second tranche to final beneficiaries had been achieved.</i>						
Sector plan for phase-out of HCFCs in the solvent sector (stage I, second tranche)	UNDP	26.4	\$2,000,000	\$140,000	\$2,140,000	
<i>The Treasurer was requested to offset future transfers to UNDP by US \$2,289 representing interest accrued by the Government of China up to 31 December 2012 from funds previously transferred for the implementation of the solvent sector plan as per decision 69/24.</i>						
HCFC phase-out management plan (stage I, third tranche) (room air-conditioner manufacturing sector plan)	UNIDO	49.1	\$8,495,000	\$594,650	\$9,089,650	
<i>The Treasurer was requested to offset future transfers to UNIDO by US \$9,513 representing interest accrued by the Government of China up to 31 December 2012 from funds previously transferred for the implementation of the RAC sector plan as per decision 69/24.</i>						

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage I, third tranche) (industrial and commercial refrigeration and air conditioning sector plan)	UNDP	224.5	\$8,495,000	\$594,650	\$9,089,650	
<i>The Treasurer was requested to offset future transfers to UNDP by US \$70,627 representing interest accrued by the Government of China up to 31 December 2012 from funds previously transferred for the implementation of the ICR sector plan as per decision 69/24.</i>						
HCFC phase-out management plan (stage I, third tranche) (extruded polystyrene foam sector plan)	UNIDO	47.8	\$3,998,000	\$279,860	\$4,277,860	
<i>The Treasurer was requested to offset future transfers to UNIDO by US \$11,955 representing interest accrued by the Government of China up to 31 December 2012 from funds previously transferred for the implementation of the XPS foam sector plan as per decision 69/24.</i>						
<b>Total for China</b>		<b>603.4</b>	<b>\$37,080,000</b>	<b>\$2,598,100</b>	<b>\$39,678,100</b>	
<b>CONGO</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.5	\$30,000	\$3,900	\$33,900	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase VIII: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000	
<b>Total for Congo</b>		<b>0.5</b>	<b>\$90,000</b>	<b>\$3,900</b>	<b>\$93,900</b>	
<b>CONGO, DR</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase VII: 1/2014-12/2015)	UNEP		\$64,540	\$0	\$64,540	
<b>Total for Congo, DR</b>			<b>\$64,540</b>		<b>\$64,540</b>	
<b>COSTA RICA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase X: 1/2014-12/2015)	UNDP		\$140,513	\$9,836	\$150,349	
<b>Total for Costa Rica</b>			<b>\$140,513</b>	<b>\$9,836</b>	<b>\$150,349</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>CROATIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (fourth tranche)	UNIDO		\$60,000	\$4,500	\$64,500	
<i>UNIDO and the Government of Italy were requested to submit the project completion report of the HPMP for Croatia no later than the 74th meeting.</i>						
<b>Total for Croatia</b>			<b>\$60,000</b>	<b>\$4,500</b>	<b>\$64,500</b>	
<b>CUBA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report for stage I of HCFC phase-out management plan	UNDP		\$30,000	\$2,700	\$32,700	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Cuba and the Executive Committee for the reduction of consumption of HCFCs.</i>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase IX: 1/2014-12/2015)	UNDP		\$149,066	\$10,435	\$159,501	
<b>Total for Cuba</b>			<b>\$179,066</b>	<b>\$13,135</b>	<b>\$192,201</b>	
<b>FIJI</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report for stage I of HCFC phase-out management plan	UNDP		\$30,000	\$2,700	\$32,700	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Fiji and the Executive Committee for the reduction of consumption of HCFCs.</i>						
<b>Total for Fiji</b>			<b>\$30,000</b>	<b>\$2,700</b>	<b>\$32,700</b>	
<b>GABON</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase VIII: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000	
<b>Total for Gabon</b>			<b>\$60,000</b>		<b>\$60,000</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>GAMBIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan <i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between the Gambia and the Executive Committee for the reduction of consumption of HCFCs.</i>	UNEP		\$30,000	\$3,900	\$33,900	
HCFC phase-out management plan (stage I, second tranche) <i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 1.5 ODP tonnes, calculated using actual consumption of 1.5 ODP tonnes reported each for 2009 and 2010, under Article 7 of the Montreal Protocol.</i>	UNEP	0.1	\$23,000	\$2,990	\$25,990	
<b>Total for Gambia</b>		<b>0.1</b>	<b>\$53,000</b>	<b>\$6,890</b>	<b>\$59,890</b>	
<b>GUINEA-BISSAU</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche) <i>Noted that the Agreement was updated based on the established HCFC baseline for compliance and the revised funding level, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 2.83 ODP tonnes, calculated using the actual consumption of 2.75 ODP tonnes and 2.9 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, and that the revised funding level for stage I of the HPMP for Guinea-Bissau was US \$280,000, in accordance with decision 60/44(f)(xii).</i>	UNEP		\$52,000	\$6,760	\$58,760	
<b>Total for Guinea-Bissau</b>			<b>\$52,000</b>	<b>\$6,760</b>	<b>\$58,760</b>	
<b>INDIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche) (project management component) <i>Noted that the Agreement was updated based on the change in support costs owing to the new administrative cost regime.</i>	UNDP		\$420,000	\$29,400	\$449,400	
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector and enabling activities) <i>Noted that the Agreement was updated based on the change in support costs owing to the new administrative cost regime.</i>	UNEP	3.6	\$344,640	\$41,910	\$386,550	

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	Germany		\$869,508	\$100,006	\$969,514	
<i>Noted that the Agreement was updated based on the change in support costs owing to the new administrative cost regime.</i>						
HCFC phase-out management plan (stage I, second tranche) (polyurethane foam sector plan)	UNDP	117.3	\$6,580,000	\$460,600	\$7,040,600	
<i>Noted that the Agreement was updated based on the change in support costs owing to the new administrative cost regime.</i>						
<b>Total for India</b>		<b>120.9</b>	<b>\$8,214,148</b>	<b>\$631,916</b>	<b>\$8,846,064</b>	

## INDONESIA

### PHASE-OUT PLAN

#### HCFC phase out plan

HCFC phase-out management plan (foam sector plan) (stage I, second tranche)	IBRD	11.9	\$942,767	\$70,708	\$1,013,475	
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*Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption 403.9 ODP tonnes, calculated using actual consumption of 374.8 ODP tonnes and 433.0 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.*

HCFC phase-out management plan (project management and coordination) (stage I, second tranche)	UNDP		\$201,674	\$15,126	\$216,800	
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*Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption 403.9 ODP tonnes, calculated using actual consumption of 374.8 ODP tonnes and 433.0 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.*

HCFC phase-out management plan (air conditioning sector plan) (stage I, second tranche)	UNDP	14.5	\$1,995,519	\$149,664	\$2,145,183	
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*Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption 403.9 ODP tonnes, calculated using actual consumption of 374.8 ODP tonnes and 433.0 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.*

HCFC phase-out management plan (refrigeration sector plan) (stage I, second tranche)	UNDP	24.4	\$1,802,807	\$135,210	\$1,938,017	
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*Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption 403.9 ODP tonnes, calculated using actual consumption of 374.8 ODP tonnes and 433.0 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.*

### SEVERAL

#### Ozone unit support

Extension of institutional strengthening project (phase IX: 1/2014-12/2015)	UNDP		\$271,246	\$18,987	\$290,233	
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**Total for Indonesia**      **50.8**      **\$5,214,013**      **\$389,695**      **\$5,603,708**

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>LAO, PDR</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between the Lao People's Democratic Republic and the Executive Committee for the reduction of consumption of HCFCs.</i>						
<b>Total for Lao, PDR</b>			<b>\$30,000</b>	<b>\$3,900</b>	<b>\$33,900</b>	
<b>LIBYA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of institutional strengthening project (phase III: 12/2013-11/2015)	UNIDO		\$136,065	\$9,525	\$145,590	
<b>Total for Libya</b>			<b>\$136,065</b>	<b>\$9,525</b>	<b>\$145,590</b>	
<b>MALAWI</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Malawi and the Executive Committee for the reduction of consumption of HCFCs.</i>						
<b>Total for Malawi</b>			<b>\$30,000</b>	<b>\$3,900</b>	<b>\$33,900</b>	
<b>MALAYSIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche) (technical assistance for the servicing sector)	UNDP	3.2	\$261,156	\$19,587	\$280,743	
HCFC phase-out management plan (stage I, second tranche) (management and coordination)	UNDP		\$227,091	\$17,031	\$244,122	
HCFC phase-out management plan (stage I, second tranche) (polyurethane foam sector plan)	UNDP	35.8	\$3,140,476	\$235,536	\$3,376,012	
<b>Total for Malaysia</b>			<b>39.0</b>	<b>\$3,628,723</b>	<b>\$272,154</b>	<b>\$3,900,877</b>

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>MALI</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.8	\$55,000	\$7,150	\$62,150	
<b>Total for Mali</b>		<b>0.8</b>	<b>\$55,000</b>	<b>\$7,150</b>	<b>\$62,150</b>	
<b>MEXICO</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing, technical assistance and monitoring)	UNIDO	10.5	\$578,341	\$43,376	\$621,717	
HCFC phase-out management plan (stage I, third tranche) (foam sector plan for systems houses and local customers)	UNDP	101.5	\$3,800,000	\$285,000	\$4,085,000	
<b>Total for Mexico</b>		<b>112.0</b>	<b>\$4,378,341</b>	<b>\$328,376</b>	<b>\$4,706,717</b>	
<b>MONGOLIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.1	\$65,000	\$8,450	\$73,450	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 1.4 ODP tonnes, calculated using actual consumption of 1.2 ODP tonnes and 1.5 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.</i>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Mongolia and the Executive Committee for the reduction of consumption of HCFCs.</i>						
<b>Total for Mongolia</b>		<b>0.1</b>	<b>\$95,000</b>	<b>\$12,350</b>	<b>\$107,350</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>MONTENEGRO</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNIDO	0.1	\$100,000	\$7,500	\$107,500	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance and the revised funding level, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 0.8 ODP tonnes, calculated using actual consumption of 0.9 ODP tonnes and 0.6 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; and that the revised funding level for stage I of the HPMP for Montenegro was US\$404,500, in accordance with decision 60/44(f)(xii).</i>						
<b>Total for Montenegro</b>		<b>0.1</b>	<b>\$100,000</b>	<b>\$7,500</b>	<b>\$107,500</b>	
<b>MYANMAR</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase IV: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000	
<b>Total for Myanmar</b>			<b>\$60,000</b>		<b>\$60,000</b>	
<b>NAMIBIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (second tranche)	Germany	4.6	\$240,000	\$29,067	\$269,067	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance and the original HPMP submission; that the revised starting point for sustained aggregate reduction in HCFC consumption was 8.4 ODP tonnes, calculated using actual consumption of 6.0 ODP tonnes and 10.7 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; that the 2011 consumption reported by the Government of Namibia exceeded the maximum allowable consumption by 1.08 ODP tonnes, as set out in row 1.2 of its Agreement with the Executive Committee, as it included consumption of ODS used for servicing foreign-owned ships; and that the Government of Namibia had established a quota system to control the import and export of HCFCs, had committed to meeting the targets in its Agreement with the Executive Committee and had included the consumption of ODS used for servicing foreign-owned ships in its domestic consumption in its annual report under Article 7 of the Montreal Protocol up to and including 2011, affirming that 2012 and subsequent domestic consumption reporting would include ODS used for servicing foreign-owned ships accordingly; and approved the corresponding revised 2014-2017 tranche implementation plan with adjustments to focus the incentive programme only on replacement of HCFC-based equipment and not on retrofits.</i>						
<b>Total for Namibia</b>		<b>4.6</b>	<b>\$240,000</b>	<b>\$29,067</b>	<b>\$269,067</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
<b>NICARAGUA</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Renewal of institutional strengthening project (phase VII: 1/2014-12/2015)	UNEP		\$60,000	\$0	\$60,000
<b>Total for Nicaragua</b>			<b>\$60,000</b>		<b>\$60,000</b>
<b>NIGER</b>					
<b>PHASE-OUT PLAN</b>					
<b>HCFC phase out plan</b>					
Verification report for stage I of HCFC phase-out management plan	UNIDO		\$30,000	\$2,700	\$32,700
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Niger and the Executive Committee for the reduction of consumption of HCFCs.</i>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of institutional strengthening project (phase IX: 1/2014-12/2015)	UNEP		\$64,828	\$0	\$64,828
<b>Total for Niger</b>			<b>\$94,828</b>	<b>\$2,700</b>	<b>\$97,528</b>
<b>NIGERIA</b>					
<b>PHASE-OUT PLAN</b>					
<b>HCFC phase out plan</b>					
HCFC phase-out management plan (stage I, third tranche) (foam, refrigeration air-conditioning servicing and coordination)	UNDP		\$503,829	\$37,787	\$541,616
<i>UNIDO was requested to submit an implementation plan, no later than 15 February 2014, for the conversions of foam manufacturing in enterprises in the refrigeration sector, related to a consumption of 310.2 mt (34.12 ODP tonnes) of HCFC-141b, including information of enterprises covered, allocation of the funding, activities to be undertaken and their schedule.</i>					
HCFC phase-out management plan (stage I, third tranche) (refrigeration air-conditioning manufacturing and coordination)	UNIDO		\$645,172	\$48,388	\$693,560
<i>UNIDO was requested to submit an implementation plan, no later than 15 February 2014, for the conversions of foam manufacturing in enterprises in the refrigeration sector, related to a consumption of 310.2 mt (34.12 ODP tonnes) of HCFC 141b, including information of enterprises covered, allocation of the funding, activities to be undertaken and their schedule.</i>					
<b>Total for Nigeria</b>			<b>\$1,149,001</b>	<b>\$86,175</b>	<b>\$1,235,176</b>

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>OMAN</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of institutional strengthening support (phase V: 12/2013-11/2015)	UNIDO		\$68,467	\$4,793	\$73,260	
	<b>Total for Oman</b>		<b>\$68,467</b>	<b>\$4,793</b>	<b>\$73,260</b>	
<b>PANAMA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase VI: 12/2013-11/2015)	UNDP		\$149,500	\$10,465	\$159,965	
	<b>Total for Panama</b>		<b>\$149,500</b>	<b>\$10,465</b>	<b>\$159,965</b>	
<b>PAPUA NEW GUINEA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (second tranche)	Germany	0.6	\$340,000	\$40,120	\$380,120	
	<b>Total for Papua New Guinea</b>	<b>0.6</b>	<b>\$340,000</b>	<b>\$40,120</b>	<b>\$380,120</b>	
<b>SAINT LUCIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Saint Lucia and the Executive Committee for the reduction of consumption of HCFCs.</i>						
	<b>Total for Saint Lucia</b>		<b>\$30,000</b>	<b>\$3,900</b>	<b>\$33,900</b>	
<b>SAO TOME AND PRINCIPE</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Sao Tome and Principe and the Executive Committee for the reduction of consumption of HCFCs.</i>						

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase IV: 1/2014-12/2015)	UNEP		\$60,666	\$0	\$60,666	
<b>Total for Sao Tome and Principe</b>			<b>\$90,666</b>	<b>\$3,900</b>	<b>\$94,566</b>	
<b>SENEGAL</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase X: 1/2014-12/2015)	UNEP		\$152,101	\$0	\$152,101	
<b>Total for Senegal</b>			<b>\$152,101</b>		<b>\$152,101</b>	
<b>SERBIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.2	\$27,500	\$3,575	\$31,075	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance and the revised funding level, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 8.4 ODP tonnes, calculated using actual consumption of 9.0 ODP tonnes and 7.8 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, and that the revised funding level for stage I of the HPMP for Serbia was US\$973,260 plus agency support costs in accordance with decision 60/44(f)(xii).</i>						
Verification report for stage I of HCFC phase-out management plan	UNIDO		\$30,000	\$2,700	\$32,700	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Serbia and the Executive Committee for the reduction of consumption of HCFCs.</i>						
HCFC phase-out management plan (stage I, second tranche)	UNIDO	2.7	\$444,130	\$33,310	\$477,440	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance and the revised funding level, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 8.4 ODP tonnes, calculated using actual consumption of 9.0 ODP tonnes and 7.8 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, and that the revised funding level for stage I of the HPMP for Serbia was US \$973,260 plus agency support costs in accordance with decision 60/44(f)(xii).</i>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase V: 12/2013-11/2015)	UNIDO		\$131,300	\$9,191	\$140,491	
<b>Total for Serbia</b>			<b>2.9</b>	<b>\$632,930</b>	<b>\$48,776</b>	<b>\$681,706</b>

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
<b>SOUTH AFRICA</b>					
<b>PHASE-OUT PLAN</b>					
<b>HCFC phase out plan</b>					
HCFC phase-out management plan (stage I, second tranche) (polyurethane foam sector plan)	UNIDO	35.7	\$2,042,620	\$142,983	\$2,185,603
<i>Noted that the Government of South Africa had agreed to submit an official request to the Ozone Secretariat for the revision of their reported Article 7 data for the years 2008 onwards by June 2014. The Fund Secretariat was requested, once the revised baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption.</i>					
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing, custom training and monitoring)	UNIDO	6.2	\$550,000	\$38,500	\$588,500
<i>Noted that the Government of South Africa had agreed to submit an official request to the Ozone Secretariat for the revision of their reported Article 7 data for the years 2008 onwards by June 2014. The Fund Secretariat was requested, once the revised baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption.</i>					
<b>Total for South Africa</b>		<b>41.9</b>	<b>\$2,592,620</b>	<b>\$181,483</b>	<b>\$2,774,103</b>
<b>SRI LANKA</b>					
<b>PHASE-OUT PLAN</b>					
<b>HCFC phase out plan</b>					
Verification report for stage I of HCFC phase-out management plan	UNDP		\$30,000	\$2,700	\$32,700
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Sri Lanka and the Executive Committee for the reduction of consumption of HCFCs.</i>					
<b>Total for Sri Lanka</b>			<b>\$30,000</b>	<b>\$2,700</b>	<b>\$32,700</b>
<b>SUDAN</b>					
<b>FUMIGANT</b>					
<b>Preparation of project proposal</b>					
Project preparation in the fumigants sector (post-harvest)	UNIDO		\$30,000	\$2,100	\$32,100
<b>Total for Sudan</b>			<b>\$30,000</b>	<b>\$2,100</b>	<b>\$32,100</b>

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>SWAZILAND</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase V: 12/2013-11/2015)	UNEP		\$60,000	\$0	\$60,000	
<b>Total for Swaziland</b>			<b>\$60,000</b>		<b>\$60,000</b>	
<b>TOGO</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.9	\$45,000	\$5,850	\$50,850	
<b>Total for Togo</b>			<b>0.9</b>	<b>\$45,000</b>	<b>\$5,850</b>	<b>\$50,850</b>
<b>TRINIDAD AND TOBAGO</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNDP	4.2	\$198,000	\$14,850	\$212,850	
<b>Total for Trinidad and Tobago</b>			<b>4.2</b>	<b>\$198,000</b>	<b>\$14,850</b>	<b>\$212,850</b>
<b>TUNISIA</b>						
<b>FUMIGANT</b>						
<b>Preparation of project proposal</b>						
Project preparation in the fumigants sector (high moisture dates)	UNIDO		\$35,000	\$2,450	\$37,450	
<b>Total for Tunisia</b>			<b>\$35,000</b>	<b>\$2,450</b>	<b>\$37,450</b>	
<b>TURKMENISTAN</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report for stage I of HCFC phase-out management plan	UNIDO		\$30,000	\$2,700	\$32,700	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Turkmenistan and the Executive Committee for the reduction of consumption of HCFCs.</i>						

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage I, second tranche)	UNIDO	0.7	\$94,500	\$7,087	\$101,587	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 6.8 ODP tonnes, calculated using actual consumption of 6.9 ODP tonnes and 6.7 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.</i>						
<b>Total for Turkmenistan</b>		<b>0.7</b>	<b>\$124,500</b>	<b>\$9,787</b>	<b>\$134,287</b>	
<b>UGANDA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 60 days prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought, in accordance with paragraph 5(b) of the agreement between Uganda and the Executive Committee for the reduction of consumption of HCFCs.</i>						
<b>Total for Uganda</b>			<b>\$30,000</b>	<b>\$3,900</b>	<b>\$33,900</b>	
<b>URUGUAY</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNDP		\$115,000	\$8,625	\$123,625	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase X: 1/2014-12/2015)	UNDP		\$150,800	\$10,556	\$161,356	
<b>Total for Uruguay</b>			<b>\$265,800</b>	<b>\$19,181</b>	<b>\$284,981</b>	
<b>VIETNAM</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche) (foam sector plan)	IBRD	89.4	\$5,663,016	\$424,726	\$6,087,742	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 221.21 ODP tonnes, calculated using actual consumption of 207.5 ODP tonnes and 234.9 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus the average annual consumption of pre-blended polyol in the years 2007 to 2009 of 164.6 ODP tonnes, giving a total of 385.77 ODP tonnes.</i>						
<b>Total for Vietnam</b>		<b>89.4</b>	<b>\$5,663,016</b>	<b>\$424,726</b>	<b>\$6,087,742</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>ZAMBIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.3	\$40,000	\$5,200	\$45,200	
<i>The Fund Secretariat was requested, in the event that the baseline consumption for compliance for Zambia was amended based on the revised HCFC consumption data reported under Article 7 of the Montreal Protocol, to update Appendix 2-A to the Agreement to include the revised figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase V: 12/2013-11/2015)	UNEP		\$65,520	\$0	\$65,520	
<b>Total for Zambia</b>		<b>0.3</b>	<b>\$105,520</b>	<b>\$5,200</b>	<b>\$110,720</b>	
<b>ZIMBABWE</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	Germany	1.8	\$109,165	\$13,059	\$122,224	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 17.8 ODP tonnes, calculated using actual consumption of 17.1 ODP tonnes and 18.5 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus 6.11 ODP tonnes of HCFC-141b contained in imported pre blended polyol systems, resulting in 23.91 ODP tonnes.</i>						
HCFC phase-out management plan (stage I, second tranche) (conversion of the foam manufacturing sector: Capri Refrigeration, Ref Air, Commercial Refrigeration, Delfy Enterprises and Freezing Modern Way)	Germany	2.1	\$166,762	\$19,949	\$186,711	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance, and that the revised starting point for sustained aggregate reduction in HCFC consumption was 17.8 ODP tonnes, calculated using actual consumption of 17.1 ODP tonnes and 18.5 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus 6.11 ODP tonnes of HCFC-141b contained in imported pre blended polyol systems, resulting in 23.91 ODP tonnes.</i>						
<b>Total for Zimbabwe</b>		<b>3.9</b>	<b>\$275,927</b>	<b>\$33,008</b>	<b>\$308,935</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>GLOBAL</b>						
<b>SEVERAL</b>						
<b>Agency programme</b>						
Core unit budget (2014)	UNDP		\$0	\$2,012,442	\$2,012,442	
Core unit budget (2014)	IBRD		\$0	\$1,725,000	\$1,725,000	
Core unit budget (2014)	UNIDO		\$0	\$2,012,442	\$2,012,442	
Compliance Assistance Programme: 2014 budget	UNEP		\$9,338,000	\$747,040	\$10,085,040	
<p><i>UNEP was requested in future submissions of the CAP budget to continue (i) to provide detailed information on the activities for which the global funds would be used; (ii) to extend the prioritisation of funding between CAP budget, lines so as to accommodate changing priorities, and to provide details on the reallocations made in its budget pursuant to decisions 47/24 and 50/26; and to report on the current staff post levels and to inform the Executive Committee of any changes thereto, particularly in respect to any increased budget allocations. UNEP was also requested to report to the Executive Committee on the implications of its adoption of the International Public Sector Accounting Standards (IPSAS) in meeting the requirements of decision 35/36(d), requiring the return of the balances of CAP funds, by the 74th meeting.</i></p>						
<b>Total for Global</b>			<b>\$9,338,000</b>	<b>\$6,496,924</b>	<b>\$15,834,924</b>	
<b>GRAND TOTAL</b>		<b>1,086.3</b>	<b>\$83,470,215</b>	<b>\$11,863,378</b>	<b>\$95,333,593</b>	

## Summary

UNEP/OzL.Pro/ExCom/71/64  
Annex IX

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
<b>BILATERAL COOPERATION</b>				
Phase-out plan	9.1	\$1,725,435	\$202,201	\$1,927,636
<b>TOTAL:</b>	9.1	\$1,725,435	\$202,201	\$1,927,636
<b>INVESTMENT PROJECT</b>				
Fumigant		\$500,000	\$37,500	\$537,500
Phase-out plan	1,077.3	\$68,480,736	\$4,946,832	\$73,427,568
<b>TOTAL:</b>	1,077.3	\$68,980,736	\$4,984,332	\$73,965,068
<b>WORK PROGRAMME AMENDMENT</b>				
Fumigant		\$65,000	\$4,550	\$69,550
Phase-out plan		\$480,000	\$54,000	\$534,000
Several		\$12,219,044	\$6,618,295	\$18,837,339
<b>TOTAL:</b>		\$12,764,044	\$6,676,845	\$19,440,889
<b>Summary by Parties and Implementing Agencies</b>				
Germany	9.1	\$1,725,435	\$202,201	\$1,927,636
IBRD	356.9	\$20,197,783	\$3,171,874	\$23,369,657
UNDP	558.4	\$31,670,601	\$4,295,099	\$35,965,700
UNEP	7.1	\$11,562,004	\$884,134	\$12,446,138
UNIDO	154.9	\$18,314,392	\$3,310,070	\$21,624,462
<b>GRAND TOTAL</b>	1,086.3	\$83,470,215	\$11,863,378	\$95,333,593

**ADJUSTMENTS ARISING FROM THE 71ST MEETING OF THE EXECUTIVE COMMITTEE FOR  
BALANCES ON PROJECTS AND ACTIVITIES**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Czech Republic (per decision 71/3(a)(x))*	2,885	375	3,260
Japan (per decision 71/3(a)(x))*	2,648	344	2,992
Portugal (per decision 71/3(a)(x))*	170	22	192
UNDP (per decision 71/3(a)(ii)&(iii))	28,343	2,380	30,723
UNEP (per decision 71/3(a)(ii)&(iii))	583,568	53,981	637,549
UNIDO (per decision 71/3(a)(ii)&(iii))	48,717	3,655	52,372
World Bank (per decision 71/3(a)(ii)&(iii))	3,257,617	258,802	3,516,419
<b>Total</b>	<b>3,923,948</b>	<b>319,559</b>	<b>4,243,507</b>

\*Cash transfer

**INTEREST ACCRUED BY THE GOVERNMENT OF CHINA**

Agency	Interest Accrued (US\$)
UNDP (per decision 71/35(d)&(f))	72,916
UNIDO (per decision 71/35(b)&(e))	21,468

**AMOUNTS WITHHELD FROM RECONCILIATION OF THE ACCOUNTS**

Agency	Total (US\$)
UNDP (per decision 71/47(c)(ii))	551,290
World Bank (per decision 71/47(c)(iii))	71,078

**NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS BASED  
ON DECISIONS OF THE 71ST MEETING OF THE EXECUTIVE COMMITTEE**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Germany (1)	1,725,435	202,201	1,927,636
UNDP	31,018,052	4,292,719	35,310,771
UNEP	10,978,436	830,153	11,808,589
UNIDO	18,244,207	3,306,415	21,550,622
World Bank	16,869,088	2,913,072	19,782,160
<b>Total</b>	<b>78,835,218</b>	<b>11,544,560</b>	<b>90,379,778</b>

(1) US \$1,927,636 to be assigned to 2014 bilateral contributions

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## Annex X

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF CAMEROON AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of the Republic of Cameroon (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 65.9 ODP tonnes by 1 January 2017 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“Maximum allowable total consumption of Annex C, Group I Substances”) as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (“The Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A.

- (a) Reallocations categorized as major changes must be documented in advance in an annual implementation plan and approved by the Executive Committee as described in sub-paragraph 5(d) above. Major changes would relate to issues potentially concerning the rules and policies of the Multilateral Fund; changes which would modify any clause of this Agreement; changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the single lead implementing agency (the “Lead IA”) in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried

out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the overall plan with the changes approved as part of the subsequent submissions, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Cameroon and the Executive Committee at the 64<sup>th</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	66.76
HCFC-141b	C	I	10.80
Total			77.56

### APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	88.80	88.80	79.92	79.92	79.92	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	82.40	82.40	74.20	74.20	65.90	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	884,453	0	180,000	0	59,136	0	59,136	1,182,725
2.2	Support costs for Lead IA (US \$)	66,334	0	13,500	0	4,435	0	4,435	88,704
3.1	Total agreed funding (US \$)	884,453	0	180,000	0	59,136	0	59,136	1,182,725
3.2	Total support cost (US \$)	66,334	0	13,500	0	4,435	0	4,435	88,704
3.3	Total agreed costs (US \$)	950,787	0	193,500	0	63,571		63,571	1,271,429
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								9.7
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								57.06
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								10.80
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0

### APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the last meeting of the year specified in Appendix 2-A.

### APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report regarding the progress since the approval of the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information

about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until the planned submission of the next tranche request, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and the Lead IA; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The National Ozone Unit (NOU) is the central administrative unit established within the administrative structure of the Ministry of Environment of Cameroon, responsible for the coordination of governmental activities with respect to the ozone layer protection and facilitation of ODS phase-out.
2. The NOU within the Ministry of Environment of Cameroon will be responsible for the overall coordination of national activities towards the HPMP Phase-out Plan implementation.
3. The management of the implementation of the planned project activities will be allocated to the NOU in cooperation with UNIDO as the Lead IA.

## **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
- (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee.
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

## **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$93 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XI

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF CHILE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Chile (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 78.75 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, 4.5.3 and 4.6.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (“Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Chile and the Executive Committee at the 63<sup>rd</sup> meeting of the Executive Committee.

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	47.3
HCFC-141b	C	I	39.3
HCFC-142b	C	I	0.6
HCFC-123	C	I	0.0
HCFC-124	C	I	0.0
HCFC-225	C	I	0.3
Total			87.5

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	87.50	87.50	78.75	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	87.50	87.50	78.75	n/a
2.1	Lead IA UNDP agreed funding(US \$)	465,566	537,357	295,744	112,540	86,759	1,497,966
2.2	Support costs for Lead IA(US \$)	34,917	40,302	22,181	8,440	6,507	112,347
2.3	Cooperating IA UNEP agreed funding (US \$)	153,217	40,127	27,022	27,022	41,101	288,489
2.4	Support costs for Cooperating IA (US \$)	19,918	5,217	3,513	3,513	5,343	37,504
3.1	Total agreed funding (US \$)	618,783	577,484	322,766	139,562	127,860	1,786,455
3.2	Total support cost (US \$)	54,835	45,519	25,694	11,953	11,850	149,851
3.3	Total agreed costs (US \$)	673,618	623,003	348,460	151,515	139,710	1,936,306
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						18.98
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						28.32
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this agreement (ODP tonnes)						0.00
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)						0.00
4.2.3	Remaining eligible consumption of HCFC-123 (ODP tonnes)						0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this agreement (ODP tonnes)						0.00
4.3.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)						0.00
4.3.3	Remaining eligible consumption of HCFC-124 (ODP tonnes)						0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)						3.02
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						0.00
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						36.28
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)						0.00
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)						0.00
4.5.3	Remaining eligible consumption of HCFC-142b (ODP tonnes)						0.60
4.6.1	Total phase-out of HCFC-225 agreed to be achieved under this agreement (ODP tonnes)						0.00
4.6.2	Phase-out of HCFC-225 to be achieved in previously approved projects (ODP tonnes)						0.00
4.6.3	Remaining eligible consumption of HCFC-225 (ODP tonnes)						0.30

### **APPENDIX 3-A: FUNDING APPROVAL SCHEDULE**

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

### **APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;
  - (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
  - (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
  - (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and the Lead IA; and
  - (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

## **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The National Ozone Unit (NOU) of the Ministry of Environment shall be responsible for coordinating the various actions associated with each strategic line. In order to carry this out, the NOU will coordinate with the different areas of the institution, such as regulation and policy, pollution control, legal and communications, among others.
2. To support the implementation of projects within the different sectors, national and international consultants will be hired, if necessary, to implement the identified activities and give support to the NOU in liaison with key stakeholders including other Ministries or Agencies, and private sector.
3. Within the foam sector, the consultants will assist in the selection of the more convenient technological and economical conversion options.
4. Within the refrigeration sector, they will assist with the implementation of training projects, demonstrative conversions, Recovering and Recycling Centre, among other actions to be carried out in the refrigeration sector.
5. The Government is fully supportive of the NOU. The Ministry of Environment has ensured -and will assure in the future- passage of all necessary national laws and regulations, including establishing an import licensing system which allows to establish annual maximum admissible import quantities for Chile of substances that are regulated under the Montreal Protocol, its amendments and its annexes and set the basis for control of HCFCs into the country.
6. For proper implementation of these projects, it is essential to have the active participation from the relevant Public Service Offices as well as the National Customs Service who will have an active involvement in defining and implementing procedures for HCFCs control.
7. It is also important to count on the different companies, technicians and technical services involved in each activity of this project. These actors will have to take responsibility for implementing good practices in refrigeration and promote behavioural change in their peers. Relevant actors within the foam sector will include the HCFC-141b users in foams and the suppliers of alternative technologies, as well as system houses.

### Verification and Reporting

8. The outcome of the different elements of the HPMP will be verified independently by an external organization. The Government and the independent organization will jointly design the verification procedures as part of the design phase of the monitoring programme.

### Frequency of verification and reporting

9. The monitoring reports will be produced each year, previous to the first meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

## **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY**

1. The Cooperating IA will be responsible for a range of activities. These activities can be specified in the respective project document further, but include at least the following:

- (a) Providing policy development assistance when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XII

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF GAMBIA (THE) AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Gambia (the) (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0.98 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
  - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
  - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
  - (ii) Changes which would modify any clause of this Agreement;
  - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
  - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Gambia (the) and the Executive Committee at the 65<sup>th</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.5

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	1.5	1.5	1.35	1.35	1.35	1.35	1.35	0.98	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	1.5	1.5	1.35	1.35	1.35	1.35	1.35	0.98	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	25,000	0	23,000	0	0	20,000	0	21,000	0	21,000	110,000
2.2	Support costs for Lead IA (US \$)	3,250	0	2,990	0	0	2,600	0	2,730	0	2,730	14,300
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	50,000	0	0	0	0	50,000	0	0	0	0	100,000
2.4	Support costs for Cooperating IA (US \$)	4,500	0	0	0	0	4,500	0	0	0	0	9,000
3.1	Total agreed funding (US \$)	75,000	0	23,000	0	0	70,000	0	21,000	0	21,000	210,000
3.2	Total support costs (US \$)	7,750	0	2,990	0	0	7,100	0	2,730	0	2,730	23,300
3.3	Total agreed costs (US \$)	82,750	0	25,990	0	0	77,100	0	23,730	0	23,730	233,300
4.1.1	Total phase-out of HCFC-22 and under this Agreement (ODP tonnes)											0.52
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.98

### APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the last meeting of the year specified in Appendix 2-A.

#### **APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

## **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. All the monitoring activities will be coordinated and managed through the National Ozone Unit, which is included within this HPMP.
2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the HPMP. The Lead IA, along with the cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports and advising the appropriate national agencies through the National Ozone Office.

## **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities, including at least the following:
  - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
  - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
  - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
  - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
  - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (g) Carrying out required supervision missions;
  - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
  - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
  - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
  - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
  - (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY**

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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### Annex XIII

#### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF GUINEA-BISSAU AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Guinea-Bissau (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 1.84 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.

2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).

4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

- (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
- (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
- (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A ("Monitoring Institutions and Roles") will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
  - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
  - (ii) Changes which would modify any clause of this Agreement;
  - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
  - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Guinea-Bissau and the Executive Committee at the 65<sup>th</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	2.83

### APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	2.83	2.83	2.55	2.55	2.55	2.55	2.55	1.84	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	2.83	2.83	2.55	2.55	2.55	2.55	2.55	1.84	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	35,000	0	52,000	0	0	50,000	0	0	0	28,000	165,000
2.2	Support costs for Lead IA (US \$)	4,550	0	6,760	0	0	6,500	0	0	0	3,640	21,450
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	40,000	0	0	0	0	75,000	0	0	0	0	115,000
2.4	Support costs for Cooperating IA (US \$)	3,600	0	0	0	0	6,750	0	0	0	0	10,350
3.1	Total agreed funding (US \$)	75,000	0	52,000	0	0	125,000	0	0	0	28,000	280,000
3.2	Total support costs (US \$)	8,150	0	6,760	0	0	13,250	0	0	0	3,640	31,800
3.3	Total agreed costs (US \$)	83,150	0	58,760	0	0	138,250	0	0	0	31,640	311,800
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)											0.99
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22											1.84

### **APPENDIX 3-A: FUNDING APPROVAL SCHEDULE**

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

### **APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and

- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(e).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The National Ozone Unit (NOU) will submit annual progress reports of status of implementation of the HPMP to UNEP and UNIDO.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent local company or to independent local consultants by UNEP and UNIDO.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities, including at least the following:
  - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
  - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
  - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
  - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
  - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (g) Carrying out required supervision missions;
  - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
  - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
  - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
  - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and

- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY**

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XIV

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF MONGOLIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Mongolia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained 0.9 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (“Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Japan has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence

of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Mongolia and the Executive Committee at the 63<sup>rd</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.4

### APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	1.4	1.4	1.3	1.3	1.3	1.3	1.3	0.9	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	1.4	1.4	0.4	0.4	0.4	0.4	0.4	0.4	n/a
2.1	Lead IA UNEP agreed funding(US \$)	65,000	0	65,000	0	0	69,000	0	0	0	37,000	236,000
2.2	Support costs for Lead IA(US \$)	8,450	0	8,450	0	0	8,970	0	0	0	4,810	30,680
2.3	Cooperating IA Japan agreed funding (US \$)	130,000	0	0	0	0	0	0	0	0	0	130,000
2.4	Support costs for Cooperating IA (US \$)	16,900	0	0	0	0	0	0	0	0	0	16,900
3.1	Total agreed funding (US \$)	195,000	0	65,000	0	0	69,000	0	0	0	37,000	366,000
3.2	Total support cost (US \$)	25,350	0	8,450	0	0	8,970	0	0	0	4,810	47,580
3.3	Total agreed costs (US \$)	220,350	0	73,450	0	0	77,970	0	0	0	41,810	413,580
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)											1.0
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.4

### APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the last meeting of the year specified in Appendix 2-A.

### APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further

highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and the Lead IA; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The overall monitoring will be the responsibility of National Ozone Unit (NOU), Ministry of Industries.
2. The consumption will be monitored based on data collected from relevant government departments and crosschecking it with data collected from the distributors and consumers.
3. The NOU will be responsible for reporting and shall submit the following reports in a timely manner:
  - (a) Annual reports on consumption of Substances to be submitted to the Ozone Secretariat;

- (b) Annual reports on progress of implementation of this Agreement to be submitted to the Executive Committee of the Multilateral Fund; and
- (c) Project-related reports to the Lead IA.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IAs, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY**

1. The Cooperating IA will be responsible for a range of activities. These activities can be specified in the respective project document further, but include at least the following:

- (a) Providing policy development assistance when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XV

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF SERBIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Serbia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 5.46 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) as the final reduction step under this agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3, 4.2.3 and 4.3.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on Implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes, which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Serbia and the Executive Committee at the 62<sup>nd</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	7.76
HCFC-123	C	I	0.02
HCFC-142b	C	I	0.59
Total			8.37

**APPENDIX 2-A: THE TARGETS, AND FUNDING**

Row	Particulars	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	8.4	8.4	7.56	7.56	7.56	7.56	7.56	5.46	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	8.4	8.4	7.56	7.56	7.56	7.56	7.56	5.46	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	360,130	0	0	444,130	0	0	67,800	0	0	0	25,700	897,760
2.2	Support costs for Lead IA (US \$)	27,010	0	0	33,310	0	0	5,085	0	0	0	1,928	67,333
2.3	Cooperating IA (UNEP) agreed funding (US \$)	26,000	0	0	27,500	0	0	14,450	0	0	0	7,550	75,500
2.4	Support costs for Cooperating IA (US \$)	3,380	0	0	3,575	0	0	1,879	0	0	0	981	9,815
3.1	Total agreed funding (US \$)	386,130	0	0	471,630	0	0	82,250	0	0	0	33,250	973,260
3.2	Total support cost (US \$)	30,390	0	0	36,885	0	0	6,964	0	0	0	2,909	77,148
3.3	Total agreed costs (US \$)	416,520	0	0	508,515	0	0	89,214	0	0	0	36,159	1,050,408
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)												2.94
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)												0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												4.82
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)												0.00
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)												0.00
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)												0.02
4.3.1	Total phase-out of HCCF-142b agreed to be achieved under this Agreement (ODP tonnes)												0.00
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)												0.00
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)												0.59

**APPENDIX 3-A: FUNDING APPROVAL SCHEDULE**

1. Funding for the future tranches will be considered for approval not earlier than the last meeting of the year specified in Appendix 2-A.

#### **APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;
  - (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
  - (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
  - (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and lead implementing agency; and
  - (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The National Ozone Unit (NOU) is the central administrative unit established within the administrative structure of the Ministry of Environment and Spatial Planning (MoESP), responsible for the co-ordination of governmental activities with respect to the ozone layer protection and facilitation of ODS phase-out.
2. The NOU within the MoESP will be responsible for the overall co-ordination of national activities towards the HPMP phase-out plan implementation.
3. The management of the implementation of the planned project activities will be allocated to the NOU in cooperation with UNIDO as the lead IA.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:
  - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
  - (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
  - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
  - (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
  - (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
  - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (g) Carrying out required supervision missions;
  - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
  - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;

- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY**

1. The Cooperating IA will be responsible for a range of activities. These activities can be specified in the respective project document further, but include at least the following:

- (a) Providing policy development assistance when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$2,500 per metric tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XVI

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF TURKMENISTAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Turkmenistan (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (the “Substances”) to a sustained level of 4.42 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules.

2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (the “Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) as the final reduction step under this agreement for all ODS specified in Appendix 1-A, and in respect to any consumption of each of the substances which exceeds the level defined in row 4.1.3 (remaining eligible consumption).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).

4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification to be commissioned by the relevant implementing agency (IA) of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.

5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:

- (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
- (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on Implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the phase down and phase out of the Substances specified in n Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved tranche implementation plan, under implementation at the time, and reported to the Executive Committee in the tranche implementation report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular that:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”). The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce

the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the plan and its subsequent revisions as per sub-paragraph 5(d) and 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Turkmenistan and the Executive Committee at the 62<sup>nd</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	6.8

## APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	6.8	6.8	6.12	6.12	6.12	6.12	6.12	4.42	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	6.8	6.8	6.12	6.12	6.12	6.12	6.12	4.42	n/a
2.1	Lead IA (UNIDO) agreed funding (US\$)	309,050	0	0	94,500	0	0	215,250	0	0	0	33,250	652,050
2.2	Support costs for Lead IA (US\$)	23,179	0	0	7,087	0	0	16,144	0	0	0	2,494	48,904
3.1	Total agreed funding (US\$)	309,050	0	0	94,500	0	0	215,250	0	0	0	33,250	652,050
3.2	Total support costs (US\$)	23,179	0	0	7,087	0	0	16,144	0	0	0	2,494	48,904
3.3	Total agreed costs (US\$)	332,229	0	0	101,587	0	0	231,394	0	0	0	35,744	700,954
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)												2.38
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)												0
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)												4.42

## APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the second meeting of the year specified in Appendix 2-A.

## APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORT AND PLAN

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;
  - (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the year specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and the lead implementing agency and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The implementation and monitoring of this HPMP will be coordinated by the National Ozone Unit in cooperation with respective governmental bodies and also national experts recruited for particular tasks which would arise in the course of the project implementation.

An independent chartered national auditing organization will be recruited to verify consumption.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the tranche Implementation Plan and subsequent report as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the tranche Implementation Plan consistent with Appendix 4-A.

- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future tranche implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$2,500 per metric tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XVII

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF ZIMBABWE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Zimbabwe (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 11.57 ODP tonnes prior by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3 and 4.3.3.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A. of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
  - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
  - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
  - (ii) Changes which would modify any clause of this Agreement;
  - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
  - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly;

- (d) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.
8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:
- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.
9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. Germany has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.
10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 3.2 of Appendix 2-A.
11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.
12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.
13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.
14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Zimbabwe and the Executive Committee at the 65<sup>th</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	16.86
HCFC-141b	C	I	0.94
Subtotal	C	I	17.8
HCFC-141b in imported polyol			6.11
Total			23.91

### APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	17.8	17.8	16.02	16.02	16.02	16.02	16.02	11.57	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	17.8	17.8	16.02	16.02	16.02	16.02	16.02	11.57	n/a
2.1	Lead IA (Germany) agreed funding (US\$)	7,474	419,417	275,927	0	112,000	0	168,000	0	0	56,000	1,038,818
2.2	Support costs for Lead IA (US\$)	972	50,096	33,008	0	13,398	0	20,097	0	0	6,699	124,270
3.1	Total agreed funding (US\$)	7,474	419,417	275,927	0	112,000	0	168,000	0	0	56,000	1,038,818
3.2	Total support cost (US\$)	972	50,096	33,008	0	13,398	0	20,097	0	0	6,699	124,270
3.3	Total agreed cost (US\$)	8,446	469,513	308,935	0	125,398	0	188,097	0	0	62,699	1,163,088
4.1.1	Total phase out HCFC-22 agreed to be achieved under this agreement											5.29
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											11.57
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)											0.94
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)											0.00
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)											0.00
4.4.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)											6.11
4.4.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)											0.00
4.4.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)											0.00

### **APPENDIX 3-A: FUNDING APPROVAL SCHEDULE**

1. Funding for the future tranches will be considered for approval at the last meeting of the year specified in Appendix 2-A.

### **APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;

- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. All the monitoring activities will be coordinated and managed by the Project Management Unit through the National Ozone Unit (NOU) which is included within this HPMP. The NOU will submit annual progress reports of status of implementation of the HPMP to the Lead IA.
2. Verification of the achievement of the performance targets, specified in the Plan, will be undertaken, upon specific request of the Executive Committee, by an independent local consultant contracted by the Lead IA.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities, including at least the following:
  - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
  - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
  - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
  - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
  - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (g) Carrying out required supervision missions;
  - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;

- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## **Annex XVIII**

### **VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWAL OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 71<sup>st</sup> MEETING**

#### **Argentina**

1. The Executive Committee reviewed the report presented for the institutional strengthening project renewal request for Argentina and noted with appreciation that the country has taken the necessary steps to sustain the CFCs phase-out achieved and to meet the targets of the Montreal Protocol related to the HCFCs. The Executive Committee commends the Government of Argentina for strengthening its legal framework to control the ODS import/export, implementing a quota system for HCFC and banning some of their uses, promoting low-global warming potential alternatives to HCFCs within the national industry and working with several government and private entities to coordinate efforts and actions aiming to comply with Argentina's commitments with the Montreal Protocol. The Executive Committee is therefore hopeful that Argentina will continue to implement the ODS phase-out activities with outstanding success in order to achieve compliance with the 2013 and 2015 HCFC control targets.

#### **Bangladesh**

2. The Executive Committee reviewed the report presented with the institutional strengthening request for Bangladesh and noted with appreciation that the country has taken significant steps to complete implementation of the national ODS phase-out plan and CFC metered-dose inhaler (MDI) phase-out project. The Executive Committee also noted that the Government of Bangladesh successfully carried out conversion of all CFC-based MDI formulations to CFC-free formulations and placed CFC-free MDIs in the market in 2013. The Executive Committee is therefore hopeful that, in the next two years, Bangladesh will continue to strengthen capacity to monitor and control ODS, sustain the progress achieved and build upon the experience of CFC reduction, in order to meet the 2013 and 2015 control targets for HCFC consumption.

#### **Benin**

3. The Executive Committee reviewed the report of the institutional strengthening project renewal request for Benin and noted with appreciation that the country reported Article 7 data to the Ozone Secretariat indicating that it is on track to meet the compliance targets of the Montreal Protocol. The Executive Committee is therefore optimistic that Benin will continue the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze and reduce the consumption of HCFCs in 2013 and 2015, respectively.

#### **Bhutan**

4. The Executive Committee reviewed the report of the institutional strengthening project renewal request for Bhutan and noted with appreciation that the country reported Article 7 data to the Ozone Secretariat indicating that it is in compliance with the Montreal Protocol control measures. The Executive Committee is therefore hopeful that Bhutan will continue the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze and reduce the consumption of HCFCs in 2013 and 2015, respectively.

### **Bosnia and Herzegovina**

5. The Executive Committee reviewed the terminal report and the action plan presented with the institutional strengthening project renewal request for Bosnia and Herzegovina and noted with appreciation that the country is in compliance with the data reporting obligations under the Montreal Protocol. The Executive Committee greatly supports the efforts done by the Government of Bosnia and Herzegovina to reduce the consumption of HCFC and to achieve compliance with the HCFCs consumption reduction targets.

### **Burundi**

6. The Executive Committee reviewed the information presented with the institutional strengthening project renewal request for Burundi noted with appreciation that the country reported Article 7 data to the Ozone Secretariat indicating that it is on track to meet the compliance targets of the Montreal Protocol. The Executive Committee is therefore optimistic that Burundi will continue the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze and reduce the consumption of HCFCs in 2013 and 2015, respectively.

### **Cameroon**

7. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Cameroon and noted with appreciation that the country reported 2012 Article 7 data to the Ozone Secretariat and 2012 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged with appreciation that Cameroon maintained zero CFC and methyl bromide consumption. The Executive Committee is therefore optimistic that Cameroon will continue the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze and reduce the consumption of HCFCs in 2013 and 2015, respectively.

### **Cape Verde**

8. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Cape Verde and noted with appreciation that the country reported Article 7 data to the Ozone Secretariat indicating that it is maintaining compliance with the zero consumption of CFCs. The Executive Committee is therefore hopeful that Cape Verde will continue the implementation of its country programme and start the implementation of the second tranche of its HCFC phase-out management plan with success in meeting the HCFC freeze consumption in 2013 and achieving 10 per cent reduction of its baseline by January 2015.

### **Chad**

9. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Chad and noted with appreciation that the country has reported 2012 Article 7 data to the Ozone Secretariat showing that it is on track to meet the compliance targets of the Montreal Protocol. The Executive Committee is therefore hopeful that Chad will continue the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze and reduce the consumption of HCFCs in 2013 and 2015, respectively.

### **Congo (the)**

10. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for the Congo and noted with appreciation that the country reported 2012 Article 7 data to the Ozone Secretariat and 2012 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged with appreciation that the Congo has maintained zero CFC and methyl bromide consumption. The Executive Committee also noted that the implementation of the country's HCFC phase-out management plan has started and has successfully met the freeze in consumption of HCFCs and is confident that it will meet reduction of 10 per cent of its baseline by January 2015.

### **Costa Rica**

11. The Executive Committee reviewed the report presented for the institutional strengthening project renewal request for Costa Rica and noted with appreciation that the country has taken the necessary steps to sustain the CFCs phase-out achieved and to meet the targets of the Montreal Protocol related to the consumption of HCFCs. The Executive Committee commends the Government of Costa Rica for strengthening its legal framework to control the ODS import/export and implementing a quota system for HCFCs. The Executive Committee expresses the expectation that Costa Rica will sustain and build on the progress achieved in its ODS phase-out activities to achieve compliance with the 2013 and 2015 HCFC control targets.

### **Cuba**

12. The Executive Committee reviewed the report presented for the institutional strengthening project renewal request for Cuba and noted with appreciation that the country has taken the necessary steps to sustain the CFCs phase-out achieved and to meet the targets of the Montreal Protocol related to the consumption of HCFCs. The Executive Committee commends the Government of Cuba for strengthening its legal framework to control the ODS import/export and implementing a quota system for HCFCs. The Executive Committee highlights the work made by the Government of Cuba in the promotion of low-global warming potential alternatives to HCFCs within the national industry and the work carried out with several government and private entities to coordinate efforts and actions aiming to comply with Cuba's commitments with the Montreal Protocol. The Executive Committee expresses the expectation that Cuba will sustain and build on the progress achieved in its ODS phase-out activities to achieve compliance with the 2013 and 2015 HCFC control targets.

### **Democratic Republic of the Congo (the)**

13. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for the Democratic Republic of the Congo and noted with appreciation that the country has reported 2012 Article 7 data to the Ozone Secretariat showing that it is on track to meet the compliance targets of the Montreal Protocol. The Executive Committee is therefore hopeful that the Democratic Republic of the Congo will continue the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze, and reduce by 10 per cent of the baseline, the consumption of HCFCs in 2013 and 2015, respectively.

### **Gabon**

14. The Executive Committee reviewed the information presented in the institutional strengthening renewal request for Gabon and noted with appreciation that the country has taken significant steps to sustain its phase-out of ODS in the period covered for the institutional strengthening project. The Executive Committee expressed the expectation that Gabon will continue the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze, and reduce by 10 per cent of the baseline, the consumption of HCFCs in 2013 and 2015, respectively.

### **Indonesia**

15. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Indonesia and noted with appreciation the continued success of Indonesia's ODS phase-out activities and its sustained phase-out of CFCs. The Executive Committee noted that the country implemented various policy and regulatory initiatives for effective monitoring and control of ODS and demonstrated successful coordination with other national agencies and stakeholders in managing and monitoring implementation of ODS phase-out programmes, all of which would help the country in achieving its HCFC phase-out targets. The Executive Committee expresses the expectation that Indonesia continues successful coordination in implementing policies and regulations to sustain ODS phase-out, strengthening national management capacity and improving ODS legislations and licensing system for achieving the 2013 and 2015 HCFC compliance targets.

### **Libya**

16. The Executive Committee reviewed the report of the institutional strengthening project renewal request for Libya and noted with appreciation that the country has reported Article 7 data and country programme implementation data to the Ozone and Multilateral Fund Secretariats indicating that it is in compliance with the Montreal Protocol control targets. The Executive Committee supports the efforts of Libya to achieve the submission of the ratification instruments for the Beijing and Montreal Amendments to the Montreal Protocol and encourages the country to submit its HCFC phase-out management plan to achieve compliance with the 2013 and 2015 HCFC control targets.

### **Myanmar**

17. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Myanmar and noted with appreciation that the country reported 2012 Article 7 data to the Ozone Secretariat and 2012 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged that Myanmar has a very well structured licensing and quota system under its Customs Act, and that the Ozone Order is being finalized. The Executive Committee is therefore confident that Myanmar will continue activities both at the project and policy levels to enable the country to meet the Montreal Protocol targets.

### **Nicaragua**

18. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Nicaragua and noted with appreciation that the country reported 2012 Article 7 data and country programme implementation data to the Ozone and Multilateral Fund Secretariats, respectively. The Executive Committee acknowledged with appreciation that Nicaragua has attained zero CFC consumption target. The Executive Committee also noted that the HCFC phase-out management plan for Nicaragua is currently under implementation and is therefore confident that

Nicaragua will sustain the phase-out of CFCs and continue activities to enable the country to meet the HCFC consumption freeze target by 2013 and achieve the 10 per cent reduction target of its baseline by January 2015.

### **Niger**

19. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Niger and noted with appreciation that the country reported 2012 country programme implementation data to the Multilateral Fund Secretariat indicating that the country is on track to meet the compliance targets of the Montreal Protocol. The Executive Committee is therefore hopeful that Niger will continue the implementation of its HCFC phase-out management plan activities with outstanding success which will lead the country to freeze the consumption of HCFCs in 2013 and meet the reduction target of 10 per cent of its baseline by January 2015.

### **Oman**

20. The Executive Committee reviewed the report of the institutional strengthening project renewal request for Oman and noted with appreciation that the country has reported 2012 Article 7 data to the Ozone Secretariat indicating that Oman is in compliance with the Montreal Protocol phase-out targets. The Executive Committee is therefore hopeful that Oman will continue to implement its HCFC phase-out management plan with outstanding success.

### **Panama**

21. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Panama and noted with appreciation the continued success of the country's ODS phase-out activities and sustained the phase-out of CFC, halons and CTC. In particular, the National Ozone Unit has worked very closely with government and non-governmental bodies, industrial sectors the private sector and the public on achieving its ODS phase-out targets, which would help the country in achieving its HCFC phase-out targets. The Executive Committee noted with appreciation the efforts made by the Government in building on its stakeholder network and knowledge for implementation of HCFC phase-out projects. The Executive Committee is hopeful that Panama will continue to build on the progress made and experience gained in its ODS phase-out activities, and that it will strengthen its national capacity, improve ODS legislation and its licensing system to sustain CFC phase-out and achieve compliance with the 2013 and 2015 control measures for HCFCs.

### **Sao Tome and Principe**

22. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Sao Tome and Principe and noted with appreciation that the country reported 2012 Article 7 data to the Ozone Secretariat and 2012 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged with appreciation that Sao Tome and Principe has maintained zero CFC and methyl bromide consumption. The Executive Committee also noted that the implementation of the HCFC phase-out management plan for Sao Tome and Principe has started and the country has successfully met the freeze in consumption of HCFCs and is confident that it will meet the reduction of 10 per cent of its baseline by January 2015.

### **Senegal**

23. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Senegal and noted with appreciation that the country has reported 2012 Article 7 data to the Ozone Secretariat indicating that the country has sustained total phase-out of CFCs and halons. The Executive Committee is therefore hopeful that Senegal will continue with success the implementation of its country programme and HCFC phase-out management plan in order to achieve freeze consumption of HCFCs by 2013 and 10 per cent reduction of its baseline by January 2015.

### **Serbia**

24. The Executive Committee reviewed the report of the institutional strengthening project renewal request for Serbia and noted with appreciation that the country has reported 2012 Article 7 data to the Ozone Secretariat indicating that Serbia is in compliance with the Montreal Protocol phase-out targets. The Executive Committee is therefore hopeful that Serbia will continue to implement the ODS phase-out activities with outstanding success in order to achieve compliance with the 2013 and 2015 HCFC control targets.

### **Swaziland**

25. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Swaziland and noted with appreciation that the country reported 2012 Article 7 data to the Ozone Secretariat indicating that it is in compliance with the Montreal Protocol control measures. The Executive Committee is therefore hopeful that Swaziland will continue with success the implementation of its country programme and HCFC phase-out management plan in order to maintain the freeze in HCFC consumption and achieve the 10 per cent reduction of its baseline by January 2015.

### **Uruguay**

26. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Uruguay and noted with appreciation the continued success of Uruguay's ODS phase-out activities and sustained the phase-out of CFC, halons, and CTC. In particular, the National Ozone Unit (NOU) of Uruguay has worked very closely with government and non-governmental bodies, industrial sectors, the private sector and the public on achieving its ODS phase-out targets, which would help the country in achieving its HCFC phase-out targets. The Executive Committee noted with appreciation the efforts made by the Government of Uruguay in building on its stakeholder network and knowledge for implementation of HCFC phase-out projects. The Executive Committee is also pleased to note the increase in institutional capacity of the NOU with respect to HCFCs and its alternatives. The Executive Committee is hopeful that Uruguay will continue the implementation of its planned activities with outstanding progress, and will sustain and build upon its current levels of reductions in ODS.

### **Zambia**

27. The Executive Committee reviewed the information presented with the institutional strengthening renewal request for Zambia and noted with appreciation that Zambia reported 2012 Article 7 data to the Ozone Secretariat indicating that is in compliance with the control measures for all ODS. The Executive Committee further noted that Zambia has taken significant steps to phase out its consumption of HCFCs in the period covered for the current phase of its institutional strengthening project. The Executive Committee greatly appreciates the efforts of the Government of Zambia to reduce the consumption of

HCFCs. The Executive Committee expressed the expectation that Zambia will continue the implementation of its HCFC phase-out management plan with outstanding success in order to sustain the freeze in HCFC consumption and achieve the 10 per cent reduction of its baseline by January 2015.

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Annex XIX

2014 COMPLIANCE ASSISTANCE PROGRAMME (CAP) BUDGET

Bud Ln	Component	Location			CAP 2013 Approved ExCom 68	CAP 2014 Approved ExCom 71
<b>10</b>	<b>PROJECT PERSONNEL COMPONENT</b>					
	<b>Title/Description</b>		<b>Grade</b>	<b>w/m</b>		
1101	Head of Branch	Paris	D1	10	211,000	217,000
1102	Senior Environment Officer - Network & Policy	Paris	P5	12	230,000	237,000
1103	Programme Officer - Capacity Building	Paris	P4/P5	12	214,000	221,000
1104	Information Manager	Paris	P4	12	201,000	207,000
1105	Monitoring & Administration Officer	Paris	P4	0	0	0
1106	Programme Officer - Policy & Tech Support	Paris	P4	12	185,000	190,000
1107	Programme Officer - HCFC	Paris	P3	12	169,000	174,000
1108	Programme Officer - ECA / Paris	Paris	P3	12	169,000	174,000
1111	ECA Regional Network Coordinator	ECA	P4	12	201,000	207,000
1121	ROAP Senior Regional Network Coordinator - SA	Bangkok	P5	12	194,000	200,000
1122	ROAP Regional Network Coordinator - SEA	Bangkok	P4	12	170,000	175,000
1123	ROAP Regional Network Coordinator - PIC	Bangkok	P4	12	170,000	175,000
1124	ROAP Programme Officer - HPMP	Bangkok	P4	12	170,000	175,000
1125	ROAP Programme Officer - HPMP	Bangkok	P3	12	138,000	142,000
1131	ROWA Regional Network Coordinator	Manama	P4	12	196,000	201,000
1132	ROWA Programme Officer - HPMP	Manama	P4	12	196,000	201,000
1133	ROWA Programme Officer - HPMP	Manama	P3	12	165,000	170,000
1141	ROA Senior Regional Network Coordinator	Nairobi	P5	12	214,000	220,000
1142	ROA Regional Network Coordinator - Francophone	Nairobi	P4	12	185,000	190,000
1143	ROA Regional Network Coordinator - Anglophone	Nairobi	P4	12	185,000	190,000
1144	ROA Programme Officer - HPMP	Nairobi	P3	12	152,000	156,000
1145	ROA Programme Officer - HPMP / Methyl Bromide	Nairobi	P3	12	152,000	156,000
1151	ROLAC Regional Network Coordinator	Panama	P4	12	171,000	176,000
1152	ROLAC Regional Network - Caribbean	Panama	P4	12	171,000	176,000
1153	ROLAC Programme Officer - HPMP	Panama	P3	12	146,000	150,000
1154	ROLAC Programme Officer - HPMP / Methyl Bromide	Panama	P3	12	146,000	150,000
1199					4,501,000	4,630,000
1300						
	<b>Title/Description</b>		<b>Grade</b>	<b>w/m</b>		
1301	Principal Assistant - Head of Branch	Paris	G6	12	105,000	108,000
1302	Programme Assistant - Regional Networks	Paris	G6	12	105,000	108,000
1303	Programme Assistant - Clearinghouse	Paris	G6	12	105,000	108,000
1304	Administration Assistant	Paris	G6	0	0	0
1305	Programme Assistant - ECA / Paris	Paris	G5	12	93,000	96,000
1306	Programme Assistant - Capacity Building	Paris	G5	12	93,000	96,000
1307	Programme Assistant - Information	Paris	G5	12	93,000	96,000
1311	Programme Assistant - ECA / Paris	ECA	G5	12	93,000	96,000
1317	Temporary assistance CAP				72,000	75,000
1321	ROAP Programme Assistant - SA	Bangkok	G6	12	61,000	62,000
1322	ROAP Programme Assistant - SEA	Bangkok	G5	12	43,000	49,000
1323	ROAP Programme Assistant - PIC	Bangkok	G5	12	48,000	49,000
1324	ROAP Regional Outreach Assistant - HPMP	Bangkok	G6	12	46,000	55,000
1331	ROWA Programme Assistant	Manama	G6	12	57,000	58,000
1332	ROWA Programme Assistant	Manama	G6	12	57,000	58,000
1333	ROWA Regional Outreach Assistant - HPMP	Manama	G6	6	28,000	29,000
1341	ROA Programme Assistant	Nairobi	G6	12	39,000	40,000
1342	ROA Programme Assistant	Nairobi	G5	12	32,000	33,000
1343	ROA Regional Outreach Assistant - HPMP	Nairobi	G6	12	35,000	36,000
1351	ROLAC Programme Assistant	Panama	G4	12	40,000	29,000
1352	ROLAC Regional Outreach Assistant - HPMP	Panama	G6	12	40,000	41,000
1353	ROLAC Programme Assistant	Panama	G5	12	33,000	34,000
1354	ROLAC - Programme Assistant	Panama	G3	12	21,000	22,000
1399					1,339,000	1,378,000

1600							
	1601	Paris staff travel	Paris			205,000	171,000
	1610	ECA staff travel	ECA			26,000	30,000
	1620	ROAP staff travel	Bangkok			80,000	116,000
	1630	ROWA staff travel	Manama			60,000	60,000
	1640	ROA staff travel	Nairobi			143,000	143,000
	1650	ROLAC staff travel	Panama			96,000	90,000
	1699					610,000	610,000
	1999					6,450,000	6,618,000
20	SUB CONTRACT COMPONENT						
2200							
	2110	ECA Sub-contracts with supporting organizations	ECA			35,000	35,000
	2120	ROAP Sub-contracts with supporting organizations	Bangkok			20,000	20,000
	2130	ROWA Sub-contracts with supporting organizations	Manama			50,000	50,000
	2140	ROA Sub-contracts with supporting organizations	Nairobi			28,000	28,000
	2150	ROLAC Sub-contracts with supporting organizations	Panama			15,000	15,000
	2210	ECA Regional awareness raising	ECA			10,000	10,000
	2220	ROAP Regional awareness raising	Bangkok			44,000	54,000
	2230	ROWA Regional awareness raising	Manama			20,000	20,000
	2240	ROA Regional awareness raising	Nairobi			39,000	64,000
	2250	ROLAC Regional awareness raising	Panama			75,000	40,000
	2299					336,000	336,000
2300							
	2301	Technical and policy information materials	Paris			70,000	80,000
	2302	Clearing House	Paris			192,000	150,000
	2303	Capacity Building on HCFC phaseout	Paris			80,000	112,000
	2399					342,000	342,000
	2999					678,000	678,000
30	TRAINING COMPONENT						
3300							
	3210	ECA South-South cooperation	ECA			20,000	20,000
	3220	ROAP South-South cooperation	Bangkok			48,000	48,000
	3230	ROWA South-South cooperation	Manama			33,000	33,000
	3240	ROA South-South cooperation	Nairobi			31,000	31,000
	3250	ROLAC South-South cooperation	Panama			45,000	45,000
	3301	Advisory and Consultative Meetings - Paris	Paris			32,000	32,000
	3310	ECA network meetings/thematic workshops	ECA			160,000	160,000
	3321	ROAP network meetings/thematic workshops - SA	Bangkok			72,000	72,000
	3322	ROAP network meetings/thematic workshops - SEA	Bangkok			50,000	50,000
	3323	ROAP network meetings/thematic workshops - PIC	Bangkok			60,000	60,000
	3330	ROWA network meetings/thematic workshops	Manama			86,000	86,000
	3340	ROA network meetings/thematic workshops	Nairobi			281,000	281,000
	3350	ROLAC network meetings/thematic workshops	Panama			192,000	204,000
	3399					1,110,000	1,122,000
	3999					1,110,000	1,122,000
40	EQUIPMENT AND PREMISES COMPONENT						
4100							
	4101	Office supplies - Paris and ECA	Paris / ECA			15,000	15,000
	4110	Office supplies - Regions	Regional			25,000	25,000
	4199					40,000	40,000
4200							
	4201	Office equipment / computer - Paris and ECA	Paris / ECA			22,000	22,000
	4210	Office equipment / computer - Regions	Regional			33,000	33,000
	4299					55,000	55,000
4300							
	4301	Office rental - Paris and ECA	Paris / ECA			360,000	360,000
	4310	Office rental - Regions	Regional			151,000	151,000
	4399					511,000	511,000
	4999					606,000	606,000
50	MISCELLANEOUS COMPONENT						
5100							
	5101	Rental and maintenance of office equipment - Paris and	Paris			22,000	22,000
	5110	Rental and maintenance of office equipment - Regions	Regional			33,000	33,000
	5199					55,000	55,000

5200							
	5201	Reporting/reproduction costs	Paris			11,000	11,000
	5210	Translations - Regions	Regional			36,000	36,000
5299						47,000	47,000
5300							
	5301	Communication & dissemination - Paris and ECA	Paris / ECA			123,000	123,000
	5310	Communication - Regions	Regional			89,000	89,000
5399						212,000	212,000
5999						314,000	314,000
	99					9,158,000	9,338,000
						732,640	747,040
<b>90</b>	<b>GRAND TOTAL</b>					<b>9,890,640</b>	<b>10,085,040</b>

**Annex XX**

**UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE  
EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN  
CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of India (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 1,447.38 ODP tonnes by 1 January 2015 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, 4.5.3 and 4.6.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
  - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
  - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
  - (ii) Changes which would modify any clause of this Agreement;
  - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
  - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly;

- (d) Any enterprise to be converted to non-HCFC technology included in the approved HPMP and that would be found to be ineligible under the guidelines of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), will not receive assistance. This information would be reported to the Executive Committee as part of the Annual Implementation Plan;
- (e) The Country commits to examining the possibility of using pre-blended hydrocarbon systems instead of blending them in-house, for those foam enterprises covered under the umbrella project, should this be technically viable, economically feasible and acceptable to the enterprises;
- (f) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA") and UNEP and Government of Germany have agreed to be the cooperating implementing agencies (the "Cooperating IAs") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IAs to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IAs will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IAs have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular coordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 2.2, 2.4 and 2.6 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each ODP kg of reductions in consumption not achieved in any one year. The

Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IAs with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of India and the Executive Committee at the 66<sup>th</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-123	C	I	3.5
HCFC-124	C	I	13.5
HCFC-141b	C	I	865.5
HCFC-142b	C	I	123.7
HCFC-22	C	I	602.0
Sub-total			1,608.2
HCFC-141b pre-blended in imported polyols			83.05
Total			1,691.25

## APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	N/A	1,608.20	1,608.20	1,447.38	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	N/A	1,608.20	1,608.20	1,447.38	N/A
2.1	Lead IA (UNDP) agreed funding (US\$)	10,000,000	7,000,000	0	1,438,490	18,438,490
2.2	Support costs for Lead IA (US\$)	750,000	490,000	0	100,694	1,340,694
2.3	Cooperating IA (UNEP) agreed funding (US\$)	430,800	344,640	0	86,160	861,600
2.4	Support costs for (UNEP)	52,388	41,910	0	10,478	104,776
2.5	Cooperating IA (Germany) agreed funding US\$	925,452	869,508	0	199,440	1,994,400
2.6	Support costs for (Germany) (US\$)	106,440	100,006	0	22,938	229,384
3.1	Total agreed funding (US\$)	11,356,252	8,214,148	0	1,724,090	21,294,490
3.2	Total support cost (US\$)	908,828	631,916	0	134,110	1,674,854
3.3	Total agreed costs (US\$)	12,265,080	88,846,064	0	1,858,200	22,969,344
4.1.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)					0
4.1.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)					0
4.1.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)					3.50
4.2.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)					0
4.2.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)					0
4.2.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)					13.50
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)					310.53
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)					0
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)					554.97
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)					0
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)					0
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)					123.70
4.5.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)					31.24
4.5.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)					0
4.5.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)					570.76
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)					0
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)					0
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols					83.05

## APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

## APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive

Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The monitoring process will be managed by Ozone Cell, Ministry of Environment and Forests, with the assistance of the Lead IA.
2. The consumption will be monitored and determined based on official import and export data for the Substances recorded by relevant government departments.
3. The Ozone Cell, Ministry of Environment and Forests, shall compile and report the following data and information on an annual basis on or before the relevant due dates:
  - (a) Annual reports on consumption of the Substances to be submitted to the Ozone

Secretariat; and

- (b) Annual reports on progress of implementation of HPMP Stage-I to be submitted to the Executive Committee of the Multilateral Fund.

4. The consumption will be monitored annually throughout the implementation of HPMP Stage-I and accordingly reflected in the progress report on the implementation of the HPMP Stage-I

5. The Ozone Cell, Ministry of Environment and Forests shall endorse the final report and the Lead IA shall submit the same to the relevant meeting of the Executive Committee along with the annual implementation plan and reports.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities, including at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
- (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IAs;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IAs, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IAs, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;

- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;  
and
- (l) Providing assistance with policy, management and technical support, when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES**

1. The Cooperating IAs will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IAs, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$136.45 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XXI

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF INDONESIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding between the Government of Indonesia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 323.1 ODP tonnes prior to 1 January 2018 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A . The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex-C, Group I substances) as the final reduction step under this agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3 and 4.4.3.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on Implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Country agrees, in cases where HFC technologies have been chosen as an alternative HCFC, and taking into account national circumstances related to health and safety:

- (a) To monitor the availability of substitutes and alternatives that further minimize impacts on the climate;
- (b) To consider, in the review of regulations standards and incentives adequate provisions that encourage introduction of such alternatives; and
- (c) To consider the potential for adoption of cost-effective alternatives that minimize the climate impact in the implementation of the HPMP, as appropriate, and inform the Executive Committee on the progress accordingly.

8. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A.

- (a) Reallocations categorized as major changes must be documented in advance in an annual implementation plan and approved by the Executive Committee as described in sub-paragraph 5(d) above. Major changes would relate to issues potentially concerning the rules and policies of the Multilateral Fund; changes which would modify any clause of this Agreement; changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan

or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly; and

(d) Any remaining funds will be returned to the Multilateral Fund.

9. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

(a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation and

(b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

10. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA") and the Government of Australia, UNIDO and the World Bank have agreed to be the cooperating agencies under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

11. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the cooperating agencies to ensure appropriate timing and sequence of activities in the implementation. The cooperating agencies will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and cooperating agencies have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular coordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the cooperating agencies with the fees set out in rows 2.2, 2.4, 2.6 and 2.8 of Appendix 2-A.

12. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

13. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

14. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the cooperating agencies to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the cooperating agencies with access to information necessary to verify compliance with this Agreement.

15. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 8, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

16. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

17. This updated Agreement supersedes the Agreement reached between the Government of Indonesia and the Executive Committee at the 64<sup>th</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	267.40
HCFC-141b	C	I	132.60
HCFC-123	C	I	3.90
HCFC-225	C	I	0.00*
Total			403.90

\*The actual consumption for HCFC-225 is 0.02 ODP tonnes.

## APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	403.90	403.90	363.51	363.51	363.51	363.51	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	403.90	403.90	363.51	363.51	363.51	323.12	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	4,000,000	0	4,000,000	0	456,102	0	0	445,000	8,901,102
2.2	Support costs for Lead IA (US \$)	300,000	0	300,000	0	34,208	0	0	33,375	667,583
2.3	Cooperating IA (Australia) agreed funding (US \$)	300,000	0	0	0	0	0	0	0	300,000
2.4	Support costs for Cooperating IA (US \$)	39,000	0	0	0	0	0	0	0	39,000
2.5	Cooperating IA (World Bank) agreed funding (US \$)	1,500,000	0	942,767	0	135,710	0	0	135,710	2,714,187
2.6	Support costs for Cooperating IA (US \$)	112,500	0	70,708	0	10,178	0	0	10,178	203,564
2.7	Cooperating IA (UNIDO) agreed funding (US \$)	777,395	0	0	0	0	0	0	0	777,395
2.8	Support costs for Cooperating IA (US \$)	58,305	0	0	0	0	0	0	0	58,305
3.1	Total agreed funding (US \$)	6,577,395	0	4,942,767	0	591,812	0	0	580,710	12,692,684
3.2	Total support cost (US \$)	509,805	0	370,708	0	44,386	0	0	43,553	968,452
3.3	Total agreed costs (US \$)	7,087,200	0	5,313,475	0	636,198	0	0	624,263	13,661,136
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									45.10
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)									0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									222.30
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)									89.90
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)									0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)									42.73
4.3.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)									0
4.3.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)									0
4.3.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)									3.85
4.4.1	Total phase-out of HCFC-225 agreed to be achieved under this Agreement (ODP tonnes)									0
4.4.2	Phase-out of HCFC-225 to be achieved in previously approved projects (ODP tonnes)									0
4.4.3	Remaining eligible consumption for HCFC-225 (ODP tonnes)									0.02

## APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

## APPENDIX 4-A: TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further

highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 8 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and lead implementing agency; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The monitoring process will be managed by the Indonesia Ministry of Environment (Kementerian Lingkungan Hidup – KLH) through the National Ozone Unit (NOU) with the assistance of the Lead IA.
2. The consumption will be monitored and determined based on official import and export data for the Substances recorded by relevant government departments.
3. The NOU shall compile and report the following data and information on an annual basis on or before the relevant due dates:

- (a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and
  - (b) Annual reports on progress of implementation of HPMP to be submitted to the Executive Committee of the Multilateral Fund.
4. The Ministry of Environment and the Lead IA will engage an independent and qualified entity to carry out a qualitative and quantitative performance evaluation of the HPMP implementation.
5. The evaluating entity shall have full access to relevant technical and financial information related to implementation of the HPMP.
6. The evaluating entity shall prepare and submit to the Ministry of Environment and the Lead IA, a consolidated draft report at the end of each Tranche Implementation Plan, comprising of the findings of the evaluation and recommendations for improvements or adjustments, if any. The draft report shall include the status of the Country's compliance with the provisions of this Agreement.
7. Upon incorporating the comments and explanations as may be applicable, from Ministry of Environment, Lead IA and the cooperating agencies, the evaluating entity shall finalize the report and submit to the Ministry of Environment and Lead IA.
8. The Ministry of Environment shall endorse the final report and the Lead IA shall submit the same to the relevant meeting of the Executive Committee along with the Tranche Implementation plan and reports.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for the following:
  - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
  - (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
  - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
  - (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
  - (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the cooperating agencies;
  - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (g) Carrying out required supervision missions;

- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Coordinating the activities of the cooperating agencies, and ensuring appropriate sequence of activities;
- (j) Co-ordinating implementing agencies are defined as cooperating agencies with the role of a lead agency for one or several sectors, as specified in the formal agreement between lead and cooperating agencies specified in paragraph 11 of this agreement;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b), sub-paragraph 1(b) of Appendix 4-A and Appendix 5-A.

#### **APPENDIX 6-B: ROLE OF COOPERATING AGENCIES**

1. The cooperating agencies will be responsible for the following:
  - (a) Assisting the Country in the implementation and assessment of the activities funded by the cooperating agencies, and refer to the Lead IA to ensure a coordinated sequence in the activities; and
  - (b) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 12 of the Agreement, the amount of funding provided may be reduced by US \$189 per ODP tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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## Annex XXII

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF MONTENEGRO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Montenegro (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0.52 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (“Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country will accept independent verification, to be commissioned by the relevant implementing agency (IA), of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Montenegro and the Executive Committee at the 63<sup>rd</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.8

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	0.8	0.8	0.72	0.72	0.72	0.72	0.72	0.52	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	0.8	0.8	0.72	0.72	0.72	0.72	0.72	0.52	n/a
2.1	Lead IA UNIDO agreed funding (US \$)	155,000	0	100,000	0	98,500	0	0	0	30,000	21,000	404,500
2.2	Support costs for Lead IA (US \$)	11,625	0	7,500	0	7,388	0	0	0	2,250	1,575	30,338
3.1	Total agreed funding (US \$)	155,000	0	100,000	0	98,500	0	0	0	30,000	21,000	404,500
3.2	Total support cost (US \$)	11,625	0	7,500	0	7,388	0	0	0	2,250	1,575	30,338
3.3	Total agreed costs (US \$)	166,625	0	107,500	0	105,888	0	0	0	32,250	22,575	434,838
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											0.28
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.52

### APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

### APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and the Lead IA; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The implementation and monitoring of this HPMP will be coordinated by the National Ozone Unit in cooperation with respective governmental bodies and also national experts recruited for particular tasks which would arise in the course of the project implementation.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;

- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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**Annex XXIII**

**UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF NAMIBIA  
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND  
FOR THE PHASE-OUT OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Namibia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0.21 ODP tonnes prior to 1 January 2025 and zero ODP tonne prior to 1 January 2030 in compliance with agreed Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (“Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The Government of Germany has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This updated Agreement supersedes the Agreement reached between the Government of Namibia and the Executive Committee at the 63<sup>rd</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	8.1
HCFC-141b	C	I	0.3

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020-2024	2025*	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	8.4	8.4	7.56	7.56	7.56	7.56	7.56	5.46	2.73	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes) under HPMP	8.87	8.40	7.22	6.64	5.88	4.20	2.94	1.68	0.76	0.76	0.21	n/a
2.1	Lead IA (Germany) agreed funding (US \$)	300,000	0	240,000	0	0	0	270,000	0	0	0	90,000	900,000
2.2	Support costs for Lead IA (US \$)	36,333	0	29,067	0	0	0	32,700	0	0	0	10,900	109,000
3.1	Total agreed funding (US \$)	300,000	0	240,000	0	0	0	302,700	0	0	0	90,000	900,000
3.2	Total support costs (US \$)	36,333	0	29,067	0	0	0	32,700	0	0	0	10,900	109,000
3.3	Total agreed costs (US \$)	336,333	0	269,067	0	0	0	302,700	0	0	0	100,900	1,009,000
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)												8.10
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)												n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)												0.30
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)												n/a
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)												0.00

\*Note: the remaining HCFC consumption from 2025 to 2029 will be 0.21 ODP tonnes as servicing tail.

### APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

#### **APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;
  - (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
  - (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
  - (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and the Lead IA; and
  - (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The National Ozone Unit (NOU) will appoint a national institution or a suitable independent consultant to monitor all activities of the HPMP. This institute/consultant will submit annual progress reports of status of implementation of the HPMP through the NOU to the Government of Germany.
2. Verification of the achievement of the performance targets, specified in the Plan, will be undertaken, upon specific request of the Executive Committee, by an independent local company or independent local consultants contracted by the Government of Germany.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:
  - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
  - (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
  - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
  - (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
  - (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee.
  - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (g) Carrying out required supervision missions;
  - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
  - (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
  - (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
  - (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

**APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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**Annex XXIV**

**UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF VIET NAM AND THE  
EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE  
REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Viet Nam (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 100 per cent of the baseline consumption level and 90 per cent of the baseline consumption level by 1 January 2013 and 1 January 2015, respectively. In this context, the baseline consumption level is defined as the average consumption level of Annex C, Group I chemicals in 2009 and 2010.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) as the final reduction step under this agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of the Substances which exceed the level defined in rows 4.1.3, 4.2.3, 4.3.3 and 4.4.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 2.1 of Appendix 2-A (“Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country will meet the consumption limit as indicated in row 1.2 of Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of this consumption limit as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
  - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
  - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (“Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68<sup>th</sup> Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The World Bank has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA.

9. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

10. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP kilogramme (kg) of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions.

Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

11. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

12. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

13. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

14. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

15. This updated Agreement supersedes the Agreement reached between the Government of Viet Nam and the Executive Committee at the 63<sup>rd</sup> meeting of the Executive Committee.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	167.15
HCFC-123	C	I	0.16
HCFC-141b	C	I	53.90
Sub-total			221.21
HCFC-141b contained in imported pre-blended polyols	C	I	164.56
<b>Total starting point</b>			<b>385.77</b>

## APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	221.2	221.2	199.08	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	221.2	221.2	199.08	n/a
2.1	Lead IA (World Bank) agreed funding (US \$)	3,054,423	0	5,663,016	0	1,046,381	9,763,820
2.2	Support costs for Lead IA(US \$)	229,082	0	424,726	0	78,479	732,287
3.1	Total agreed funding (US \$)	3,054,423	0	5,663,016	0	1,046,381	9,763,820
3.2	Total support cost (US \$)	229,082	0	424,726	0	78,479	732,287
3.3	Total agreed costs (US \$)	3,283,505	0	6,087,742	0	1,124,860	10,496,107
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						0
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						167.15
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)						0
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)						0
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)						0.16
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)						50.80
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						0
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						3.10
4.4.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)						89.30
4.4.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)						0
4.4.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)						75.26

## APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

## APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
  - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and Lead IA; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

## **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The National Ozone Office (NOO) of the Ministry of Natural Resources and Environment (MONRE) is responsible for managing and co-ordinating Viet Nam's overall ODS phase-out programme, including all phase-out activities and measures controlling Annex C, Group I substances (HCFCs). The management and implementation of this Agreement will be undertaken by the HPMP Project Management Unit (PMU) which falls under the direct authority of the NOO.

2. The HPMP PMU and the NOO will collaborate and co-ordinate with the Ministry of Industry and Trade (MOIT) and the Customs Bureau to institute and implement the import/control system for HCFCs; review annual HCFC import/export license applications to ensure that the list of end-users are provided by importers/exporters; and establish and publish the annual import quotas for HCFCs for the period 2012 through 2015.

3. In order to monitor and evaluate the progress of Agreement implementation, the PMU will assist the NOO to:

- (a) Develop a management information system that captures and tracks all relevant and required data on the importation of Annex C, Group I substances (HCFCs) on an annual basis;

- (b) Update the data on the actual amount of imported HCFCs in cooperation with the Customs Bureau on a quarterly basis;
- (c) Monitor and report any incidents of illegal import of HCFCs;
- (d) Monitor progress of HCFC phase-out on the demand side by direct oversight of sub-project implementation;
- (e) compile periodic progress reports of HPMP implementation and HCFC phase-out achievements for sharing with MONRE, MOIT, the Customs Bureau and the Ministry of Planning and Investment and its local bureaus; and
- (f) Prepare Tranche Implementation Reports and Plans according to the schedule set forth in Appendix 2-A.

4. MONRE along with its government partner agencies (MOIT, the Customs Bureau and Ministry of Planning and Investment) will be responsible for reviewing PMU reports and data and instituting control and policy measures which facilitate HCFC control and reductions according to the Agreement.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities including:
  - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
  - (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
  - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
  - (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
  - (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee;
  - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (g) Carrying out required supervision missions;
  - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
  - (i) In case of reductions in funding for failure to comply in accordance with paragraph 10 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items;

- (j) Ensuring that disbursements made to the Country are based on the use of the indicators;  
and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent party to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY**

1. In accordance with paragraph 10 of the Agreement, the amount of funding provided may be reduced by US \$139 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

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Annex XXV  
REVISED 2013, 2014 AND 2015 AND 2016 BUDGETS OF THE FUND SECRETARIAT

		Revised	Revised	Approved	Approved	
		2013	2014	2015	2016	
10	<b>PERSONNEL COMPONENT</b>					
1100	Project Personnel (Title & Grade)					
	01	Chief Officer (D2)	324,306	251,635	259,184	266,960
	02	Deputy Chief Officer (D1)	161,100	248,333	255,783	263,456
	03	Programme Management Officer (P3)	159,791	164,585	169,522	174,608
	04	Deputy Chief Officer on Financial and Economic Affairs (P5)	217,873	224,409	231,142	238,076
	05	Senior Project Management Officer (P5)	217,873	224,409	231,142	238,076
	06	Senior Project Management Officer (P5)	217,873	224,409	231,142	238,076
	07	Senior Project Management Officer (P5)	217,873	224,409	231,142	238,076
	08	Information Management Officer (P3)	192,647	198,426	204,379	210,510
	09	Senior Administrative & Fund Management Officer (P5)*	195,478	201,342	207,383	213,604
	10	Senior Monitoring and Evaluation Officer (P5)	217,873	224,409	231,142	238,076
	11	Programme Management Officer (P3)	159,791	164,585	169,522	174,608
	12	Information Network Officer (P3)	133,900	137,917	142,055	146,316
	13	Associate HR Officer (P2)	-	-	-	-
	14	Programme Management Officer (P3)	159,791	164,585	169,522	174,608
1199	<b>Sub-Total</b>		<b>2,576,170</b>	<b>2,653,455</b>	<b>2,733,059</b>	<b>2,815,051</b>
1200	Consultants					
	01	Projects and technical reviews etc.	100,000	100,000	0	0
1299	<b>Sub-Total</b>		<b>100,000</b>	<b>100,000</b>	<b>-</b>	<b>-</b>
1300	Administrative Support Personnel					
	01	Administrative Assistant (G7)	91,836	94,591	97,429	100,352
	02	Meeting Services Assistant (G7)	91,836	94,591	97,429	100,352
	03	Programme Assistant (G7)	91,836	94,591	97,429	100,352
	04	Programme Assistant (G5)	68,027	70,067	72,169	74,334
	05	Programme Assistant (G5)	68,027	70,067	72,169	74,334
	06	Computer Operations Assistant (G6)	86,897	89,504	92,189	94,955
	07	Programme Assistant (G5)	71,897	74,054	76,276	78,564
	08	Secretary/Clerk, Administration (G6)	77,128	79,441	81,825	84,279
	09	Registry Clerk (G4)	58,764	60,527	62,343	64,213
	10	Database Assistant (G7)	91,836	94,591	97,429	100,352
	11	Programme Assistant, Monitoring & Evaluation (G5)	68,027	70,067	72,169	74,334
	12	IMIS Assistant (G6)	-	-	-	-
	13	Programme Assistant (G5)	68,027	70,067	72,169	74,334
	14	Programme Assistant (G5)	68,027	70,067	70,067	72,169
	<b>Sub-Total</b>		<b>1,002,162</b>	<b>1,032,227</b>	<b>1,061,092</b>	<b>1,092,925</b>
1330	Conference Servicing Cost					
1333	Meeting Services: ExCom		220,000	325,000	-	-
1334	Meeting Services: ExCom		300,000	325,000	-	-
1336	Meeting Services: ExCom		260,000		-	-
1335	Temporary Assistance		43,782	43,782	-	-
	<b>Sub-Total</b>		<b>823,782</b>	<b>693,782</b>	<b>-</b>	<b>-</b>
1399	<b>TOTAL ADMINISTRATIVE SUPPORT</b>		<b>1,825,944</b>	<b>1,726,009</b>	<b>1,061,092</b>	<b>1,092,925</b>

\* Difference in cost between P4 and P5 is to be charged to BL 2101.

Note: Personnel costs under BLs 1100 and 1300 will be offset by US \$516,641 based on 2012 actual cost differentials between staff cost in Montreal and staff cost in Nairobi.

		Approved	Approved	Approved	Approved		
		2013	2014	2015	2016		
1600	Travel on official business						
	01 Mission Costs	208,000	208,000	-	-		
	02 Network Meetings (4)	50,000	50,000	-	-		
<b>1699</b>	<b>Sub-Total</b>	<b>258,000</b>	<b>258,000</b>	<b>-</b>	<b>-</b>		
<b>1999</b>	<b>COMPONENT TOTAL</b>	<b>4,760,114</b>	<b>4,737,464</b>	<b>3,794,151</b>	<b>3,907,976</b>		
20	CONTRACTUAL COMPONENT						
2100	Sub-contracts						
	01 Treasury services (Decision 59/51(b))	500,000	500,000	-	-		
2200	Subcontracts						
	01 Various Studies						
	02 Corporate contracts	-		-	-		
<b>2999</b>	<b>COMPONENT TOTAL</b>	<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>-</b>		
30	MEETING PARTICIPATION COMPONENT						
3300	Travel & DSA for Art 5 delegates to ExCom Meetings						
	01 Travel of Chairperson and Vice-Chairperson	15,000	15,000	-	-		
	02 Executive Committee (2 in 2014)	225,000	150,000	-	-		
<b>3999</b>	<b>COMPONENT TOTAL</b>	<b>240,000</b>	<b>165,000</b>	<b>-</b>	<b>-</b>		
40	EQUIPMENT COMPONENT						
4100	Expendables						
	01 Office Stationery	17,550	17,550	-	-		
	02 Computer expendable (Software, accessories, hubs, switches, memory)	10,530	10,530	-	-		
<b>4199</b>	<b>Sub-Total</b>	<b>28,080</b>	<b>28,080</b>	<b>-</b>	<b>-</b>		
4200	Non-Expendable Equipment						
	01 Computers, printers	13,000	13,000	-	-		
	02 Other expendable equipment (Shelves, Furnitures)	5,850	5,850	-	-		
<b>4299</b>	<b>Sub-Total</b>	<b>18,850</b>	<b>18,850</b>	<b>-</b>	<b>-</b>		
4300	Premises						
	01 Rental of office premises**	870,282	870,282	-	-		
	<b>Sub-Total</b>	<b>870,282</b>	<b>870,282</b>	<b>-</b>	<b>-</b>		
<b>4999</b>	<b>COMPONENT TOTAL</b>	<b>917,212</b>	<b>917,212</b>	<b>-</b>	<b>-</b>		

\*\*The amount of US \$870,282 represents the rental amount per the office lease. An amount of US \$46,248 will be charged to the Fund. In 2012 cost differentials amounted to US \$758,144 which was offset against the 2012 budget.

		Approved	Approved	Approved	Approved		
		2013	2014	2015	2016		
50	MISCELLANEOUS COMPONENT						
5100	Operation and Maintenance of Equipment						
	01	Computers and printers, etc.(toners, colour printer)	8,100	8,100	-	-	
	02	Maintenance of office premises	8,000	8,000	-	-	
	03	Rental of photocopiers (office)	15,000	15,000	-	-	
	04	Telecommunication equipment rental	8,000	8,000	-	-	
	05	Network maintenance	10,000	10,000	-	-	
<b>5199</b>		<b>Sub-Total</b>	<b>49,100</b>	<b>49,100</b>	-	-	
5200	Reproduction Costs						
	01	Executive Committee meetings and reports to MOP	15,300	15,300	-	-	
<b>5299</b>		<b>Sub-Total</b>	<b>15,300</b>	<b>15,300</b>	-	-	
5300	Sundries						
	01	Communications	58,500	58,500	-	-	
	02	Freight Charges	13,500	13,500	-	-	
	03	Bank Charges	4,500	4,500	-	-	
	05	Staff Training	20,137	20,137	-	-	
<b>5399</b>		<b>Sub-Total</b>	<b>96,637</b>	<b>96,637</b>	-	-	
5400	Hospitality & Entertainment						
	01	Hospitality costs	24,000	24,000	-	-	
<b>5499</b>		<b>Sub-Total</b>	<b>24,000</b>	<b>24,000</b>	-	-	
<b>5999</b>		<b>COMPONENT TOTAL</b>	<b>185,037</b>	<b>185,037</b>	-	-	
<b>GRAND TOTAL</b>			<b>6,602,363</b>	<b>6,504,713</b>	<b>3,794,151</b>	<b>3,907,976</b>	
		Programme Support Costs (13%)	465,183	479,139	493,240	508,037	
<b>COST TO MULTILATERAL FUND</b>			<b>7,067,547</b>	<b>6,983,852</b>	<b>4,287,391</b>	<b>4,416,013</b>	
		Previous budget schedule	7,067,547	4,164,821	4,287,391	-	
		Increase/decrease	-	2,819,031	(0)	4,416,013	

## Annex XXVI

### **AGREEMENT BETWEEN THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL AND THE GOVERNMENT OF CHINA FOR THE PHASE-OUT OF PRODUCTION OF HYDROCHLOROFLUOROCARBONS REQUIRED BY THE MONTREAL PROTOCOL**

1. This Agreement represents the understanding of the Government of China (the “Country”) and the Executive Committee with respect to the total phase-out of production of the hydrochlorofluorocarbons (HCFCs) for controlled uses, as set out in Appendix 1-A (“The Substances”) to this Agreement, and the freeze and 10 per cent baseline reduction foreseen for stage I of the HCFC Production Sector Phase-out Management Plan (HPPMP).

#### **Framework agreement for total phase-out**

2. The total compensation for the entire China HCFC production sector for phasing out HCFC production for controlled uses in accordance with the Montreal Protocol phase-out schedule shall not exceed US \$385 million, inclusive of all project costs, excluding agency fees, with the allocation of payments beyond Stage I to be addressed in future stages.

3. The total amount of phase-out to be achieved under the HPPMP is 445,888 metric tonnes (MT), based on the verified 2010 ODS production data of: 310,000 MT of HCFC-22, 98,711 MT of HCFC-141b, 33,957 MT of HCFC-142b, 2,819 MT of HCFC-123 and 401 MT of HCFC-124.

4. Appendix 1-A to this Agreement establishes a starting point for aggregate reduction in HCFC production eligible for funding of 30,180 ODP tonnes (445,888 MT).

5. The Country agrees that funding for Stage I and beyond should be used to prioritize total permanent closure and dismantling of production lines.

6. The Country agrees:

- (a) To retire an additional 24 per cent of the production capacity that was established as of 2010 beyond the total tonnage of 445,888 MT as mentioned in paragraph 3 above (i.e., 552,901 MT) to take into account average utilization of HCFC production capacity;
- (b) The 552,901 MT includes all production lines based on the list of HCFC production plants, as specified in the addendum to the HPPMP referred to in paragraph 1 of Appendix 4-A of this Agreement, namely: (i) those production lines producing HCFCs for controlled uses that will be closed and dismantled; (ii) other production lines producing for both controlled uses and feedstock that will be retired as needed to achieve the target in paragraph 6(a); and
- (c) Capacity closure and retirement strategies are to be further defined, monitored and updated in future tranche implementation work plans and progress reports.

7. The Country agrees to ensure that any funds in the possession of the Foreign Economic Cooperation Office/Ministry of the Environment (FECO/MEP) will return a reasonable rate of interest and that any interest will be offset in future tranches with the reporting requirements of FECO/MEP and the World Bank pursuant to decision 70/20(c) on the reporting on disbursement.

8. The Country will not provide funding in Stage I or beyond for the production line which produced CFCs in Zhejiang Juhua Fluoro-chemical Co. Ltd. in 2010.

9. The Country agrees to ensure that any compensated plant does not redirect any phased out HCFC production capacity toward feedstock, subject to a penalty to be specified in the agreement for each stage of the HPPMP.

10. The Country agrees to coordinate with its stakeholders and authorities to make best efforts to manage HCFC production and associated by-product production in HCFC plants in accordance with best practices to minimize associated climate impacts. The budget and activities for such coordination will be included in the tranche implementation work plan and progress report.

11. The Country agrees to optimize the implementation of the HPPMP and its addendum in order to minimize environmental and climate impacts as much as possible, including by giving priority to HCFC production closure to achieve the HCFC reduction targets set forth in Decision XIX/6 of the Nineteenth Meeting of the Parties to the Montreal Protocol.

12. The penalty is US\$ 1.73 per kg/year of production in excess of the level required in this Agreement. The Country agrees that any compensated HCFC production plant that redirects any phased out HCFC production capacity to feedstock will be subject to the penalty to be specified in the agreement for each stage of the HPPMP.

### **Stage I of the HPPMP**

13. Stage I of the HPPMP for the Country is approved in principle at a total of US \$95 million to meet the freeze and 10 per cent reduction of the HCFC production baseline for compliance, inclusive of all project costs, excluding agency support costs, recognizing the Country's need to front-load payments, according to the following payment schedule: US \$24 million for the 2013 tranche; US \$23 million for the 2014 tranche; US \$24 million for the 2015 tranche, and US \$24 million for the 2016 tranche. The total funds for the 2014-2016 tranches will be released to the Country only after a verification report of prior year data confirming achievement of the previous production limits target has been approved by the Executive Committee.

14. Stage I of the HPPMP will result in a sustained level of 29,122 ODP tonnes by 2013 and 10 per cent reduction target of 26,210 ODP tonnes by 2015 in compliance with Montreal Protocol schedules.

15. The Country agrees to meet the annual production limits for the substances set out in row 1.2 ("Maximum Allowable Production of Annex C, Group I Substances") of Appendix 2-A ("The Targets, and Funding") to this Agreement, as well as in the reduction schedule for all substances mentioned in row 1.1 of Appendix 2-A.

16. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A ("The Targets, and Funding") to the Country. The Executive Committee will provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

17. The Country accepts that, by its acceptance of this Agreement and fulfilment by the Executive Committee of its funding obligations for stage I described in paragraph 16 above, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect of any production of each of the substances that exceeds the levels defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 of Appendix 2-A.

18. The Country agrees to implement this Agreement in accordance with stage I of the HPPMP submitted, and as modified by this Agreement with respect to funding levels and other conditions of approval specified in Executive Committee decision 69/28(e), the addendum to the HPPMP referred to in paragraph 1 of Appendix 4-A, and the application of the flexibility clause as specified in paragraph 20 below as informed or requested in annual implementation work plans and progress reports. In accordance with paragraph 19(b), the Country will accept independent verification of achievement of the annual production limits set out in row 1.2 of Appendix 2-A. The aforementioned verification will be commissioned by the relevant implementing agency.

19. The Executive Committee will not provide the funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least twelve weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

- (a) The Country has met the targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years including the year in which this Agreement was approved;
- (b) The achievement of these targets has been independently verified and the verification report will be submitted at least eight weeks in advance to the Secretariat of the relevant Executive Committee meeting, unless the Executive Committee decides that such verification is not required;
- (c) The Country has submitted: annual implementation reports in the format in Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year and confirming that the conditions set out in paragraphs 6 to 12 of this Agreement have been met where applicable; has achieved a significant level of implementation of activities initiated with previously approved tranches; and the rate of disbursement of funding available from the previously approved tranche exceeded 20 per cent; and
- (d) The Country has submitted an annual implementation plan in the format in Appendix 4-A covering each calendar year up to and including the year for which the funding schedule foresees the submission of the next tranche or, in the case of the final tranche, until completion of all activities foreseen.

20. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances, to achieve the smoothest reduction of production and phase-out of the substances specified in Appendix 1-A.

- (a) Reallocations categorized as major changes must be documented in advance in an annual implementation plan and approved by the Executive Committee, as described in sub-paragraph 19(d) above. The documentation can also be provided as part of a revision to an existing annual implementation plan, to be submitted eight weeks prior to any meeting of the Executive Committee. Major changes would relate to:
  - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
  - (ii) Modifications to any clause in this Agreement;
  - (iii) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan involving costs exceeding 30 per cent of the total cost of the previous approved tranche;

- (iv) Removal of activities in the annual implementation plan involving costs exceeding 30 per cent of the total cost of the previous approved tranche;
- (v) Reallocations not categorized as major changes may be incorporated into the approved annual implementation plan being implemented at that time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (vi) Any funds remaining from Stage I of the HPPMP will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement with the understanding that the funds returned would not be deducted from the maximum level of funding for the overall phase-out.

21. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification, as described in paragraph 19(b) above.

22. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The World Bank has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which may be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA.

23. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification, as per paragraph 19(b) above. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

24. Should the Country, for any reason, not meet the targets for the phase-out of the substances set out in row 1.2 of Appendix 2-A or otherwise not comply with this Agreement, the Country agrees that it will not be entitled to the funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that should have been met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the funding by the amount set out in Appendix 7-A (Reductions in Funding for Failure to Comply for Stage I) in respect of each kg of reduction in production not achieved in any one year and, in respect of any redirection of phased-out HCFC production capacity to feedstock uses by compensated HCFC production plant, as indicated in the addendum to the HPPMP. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions have been taken, this specific case will not be an impediment to receiving future tranches, as per paragraph 16 above.

25. Funding under this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other HCFC production sector projects.

26. The Country will comply with any reasonable request by the Executive Committee or the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

27. Stage I of the reduction in production of HCFCs and the associated Agreement will be completed at the end of the year following the last year for which a maximum allowable total production level has been specified in Appendix 2-A. At that time, should there still be outstanding activities foreseen in the Plan and its subsequent revisions, as per paragraphs 19(d) and 20, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 2(a), 2(b), 2(d), and 2(e) of Appendix 4-A will continue until the time of completion of Stage I, unless otherwise specified by the Executive Committee.

28. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point (2010) for aggregate reductions in production (ODP tonnes)
HCFC-22	C	I	17,050
HCFC-141b	C	I	10,858
HCFC-142b	C	I	2,207
HCFC-123	C	I	56
HCFC-124	C	I	9
Total			30,180

**APPENDIX 2-A: THE TARGETS, AND FUNDING FOR STAGE I OF THE AGREEMENT**

Row	Particulars	2013	2014	2015	2016	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1,058	0	2,912	0	3,970
1.2	Maximum allowable total production of Annex C, Group I substances (ODP tonnes)	29,122	29,122	26,210	26,210	n/a
2.1	Lead IA (World Bank) agreed funding (US \$million)	24	23	24	24	95
2.2	Support costs for Lead IA (US \$million)	1.344	1.288	1.344	1.344	5.320
3.1	Total agreed funding (US \$million)	24	23	24	24	95
3.2	Total support costs (US \$million)	1.344	1.288	1.344	1.344	5.320
3.3	Total agreed costs (US \$million)	25.344	24.288	25.344	25.344	100.32
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under stage I of this Agreement (ODP tonnes)					923
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)					0
4.1.3	Remaining eligible production for HCFC-22 (ODP tonnes)					16,127
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under stage I of this Agreement (ODP tonnes)					2,606
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)					0
4.2.3	Remaining eligible production for HCFC-141b (ODP tonnes)					8,252
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under stage I of this Agreement (ODP tonnes)					441
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)					0
4.3.3	Remaining eligible production for HCFC-142b (ODP tonnes)					1,766
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under stage I of this Agreement (ODP tonnes)					0
4.4.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)					0
4.4.3	Remaining eligible production for HCFC-123 (ODP tonnes)					56
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this stage I of Agreement (ODP tonnes)					0
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)					0
4.5.3	Remaining eligible production for HCFC-124 (ODP tonnes)					9

**APPENDIX 3-A: FUNDING APPROVAL SCHEDULE FOR STAGE I**

1. Funding for future work plan will be considered for approval at the last meeting of the Executive Committee in the year prior to the year of the work plan.
2. For example, the work plan for 2014 and the progress report for the first tranche of the HPPMP will be submitted to the last meeting in 2013. Funding will be transferred to the implementing agency upon approval of the work plan and not more than 30 per cent of this amount could be released to the Country before the approval of the verification report by the Executive Committee.
3. A final verification report for Stage I will be submitted in 2017 to verify 2016 production. The last tranche of Stage I will be disbursed in full upon the approval of the 2015 verification report by the Executive Committee.

#### **APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS FOR STAGE I**

1. The first implementation report and plan for stage I of the HPPMP will contain an addendum that takes into account the final level of funding for the total phase-out, and that approved for stage I, including the conditions of approval in decision 69/28(e). The addendum would further define the conditions of approval in particular with respect to how decision 69/28(e) would be implemented.
2. The submission of the implementation report and plan for each tranche request will consist of five parts:
  - (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase-out of the substances, how the different activities contribute to it, and how they relate to each other in Appendix 1-A. The report should include ODS phase-out as a direct result of the implementation of activities, by substance, to allow the Secretariat to provide the Executive Committee with information on the resulting change in climate-relevant emissions. It will address how the conditions of approval in decision 69/28(e) (paragraphs 4-12 of this Agreement) have been addressed, the actions/activities taken to achieve these conditions and their budgets both in the plan and the progress report. It will identify any redirection of phased-out production capacity, as specified in paragraph 3 of the Agreement that is compensated by the Agreement to production for feedstock use by plant and by plant line where applicable. The report and plan will indicate what capacities are closed and dismantled and the target for the next year. Controlled and feedstock production by plant line, if applicable, should be provided. The report should further highlight successes, experiences, and challenges related to the different activities included in the plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted annual implementation plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided in paragraph 20 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 19(a) of this Agreement and may, in addition, include information on activities in the current year;
  - (b) A verification report on the results of the HPPMP and the production of the substances listed in Appendix 1-A, as per sub-paragraph 19(b) of this Agreement. Unless otherwise decided by the Executive Committee, such a verification shall be provided together with each tranche request and, as specified in sub-paragraph 19(a) of this Agreement, will provide verification of production for all relevant years for which a verification report has not yet been noted by the Executive Committee;
  - (c) A written description of the activities to be undertaken up to and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experience gained and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 19(d) of this Agreement and also specify and explain in detail such changes to the overall plan. This description of future activities may be submitted as a part of the same document as the narrative report under sub-paragraph (a) above;

- (d) A set of quantitative information for all annual implementation reports and annual implementation plans is to be submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will amend the narratives and description for the report (in accordance with sub-paragraph (a) above) and the plan (in accordance with sub-paragraph (c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An executive summary of around five paragraphs is to be submitted in order to summarize the information required by sub-paragraphs (a) to (d) above.

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES FOR STAGE I**

1. The overall monitoring will be the responsibility of the National Ozone Unit (NOU). The production will be monitored based on semi-annual reports provided by HCFC producers and confirmation by the NOU.

2. The NOU will also be responsible for reporting and shall submit the following reports in a timely manner:

- (a) Annual reports on production of each substance for controlled and feedstock uses to be submitted to the Ozone Secretariat;
- (b) Annual reports on progress in implementation of the country programme, to be submitted to the Executive Committee; and
- (c) Project-related reports to be submitted to the Lead IA.

3. The Lead IA will carry out independent annual verifications at all producers for which tonnage was included in paragraph 3 of the Agreement for the years 2013-2016 to confirm that the HCFC production phase-out targets at the country level have been met. Annual HCFC production will be verified by following the Executive Committee's Guidelines and Standard Format for Verification of ODS Production Phase-out using the Montreal Protocol's definition of production i.e. (a) HCFC production is equal to the total annual HCFC production minus the total amount of HCFCs used in feedstock applications. The verification reports will be submitted to the Executive Committee in accordance with paragraph 19 of this Agreement.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY FOR STAGE I**

1. The Lead IA will be responsible for the overall supervision of the implementation of the stage I of the reduction in production of HCFCs under this Agreement. The Lead IA supervision will include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements, as set out in the Country's HPPMP and addendum;
- (b) Assisting the Country in preparation of the implementation plans and subsequent reports, as per Appendix 4-A;

- (c) Providing independent verification to the Executive Committee that the targets have been met and associated annual activities have been completed, as indicated in the implementation plan consistent with Appendix 4-A;
- (d) Ensuring that experience and progress is reflected in updates of the overall plan and in future annual implementation plans, consistent with sub-paragraphs 2(c) and 2(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plans, as specified in Appendix 4-A, for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Tracking implementation and use of funds to ensure that they are consistent with all the Lead IA policies and procedures, including safeguard policies, as well as Executive Committee policies and procedures and provisions of this Agreement;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the implementation plan and accurate data reporting;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 1 of this Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the agency support cost of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support, when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the results and the production of the substances mentioned in Appendix 1-A, as per sub-paragraph 19(b) of this Agreement and sub-paragraph 2(b) of Appendix 4-A.

#### **APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY FOR STAGE I**

1. In accordance with paragraphs 12 and 24 of this Agreement, the amount of funding provided may be reduced by US\$1.73 per kg/year of production beyond the level defined in row 1.2 of Appendix 2-A for each year from future funding tranches in which the target specified in row 1.2 of Appendix 2-A has not been met.

2. If any independent annual verification, as stipulated in paragraph 3 of Appendix 5-A to this Agreement, reveals that the phased out HCFC production capacity previously used for ODS production in 2010, as specified in paragraph 3 of the Agreement, in any HCFC production plants that are compensated by this Agreement is redirected to feedstock uses in a given year, the amount of funding may be reduced by US\$0.15 per kg/year of redirected production from future funding.

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