



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/77/63
2 November 2016

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-seventh Meeting
Montreal, 28 November – 2 December 2016

PROJECT PROPOSAL: THE REPUBLIC OF SOUTH SUDAN

This document consists of the comments and recommendation of the Secretariat on the following project proposal:

Phase-out

- HCFC phase-out management plan (stage I, first tranche) UNEP/UNDP

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

South Sudan

(I) PROJECT TITLE	AGENCY
HPMP	UNEP (lead)/UNDP

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2015	3.36 (ODP tonnes)
---	------------	-------------------

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)							Year: 2015		
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab Use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					3.36				3.36

(IV) CONSUMPTION DATA (ODP tonnes)				
2009 - 2010 baseline:		4.10	Starting point for sustained aggregate reductions:	1.64
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)				
Already approved:		0.0	Remaining:	1.64

(V) BUSINESS PLAN		2016	2017	2018	2019	2020	Total
UNEP	ODS phase-out (ODP tonnes)	0	0	0	0	0	0
	Funding (US \$)	109,935	0	0	0	36,645	146,580
UNDP	ODS phase-out (ODP tonnes)	0	0.94	0	0.70	0.70	2.34
	Funding (US \$)	0	20,625	0	27,868	27,868	76,361

(VI) PROJECT DATA			2016	2017	2018	2019	2020	Total
Montreal Protocol consumption limits			3.69	3.69	3.69	3.69	2.67	n/a
Maximum allowable consumption (ODP tonnes)			1.48	1.48	1.48	1.48	1.07	n/a
Project costs requested in principle(US\$)	UNEP	Project costs	20,000	0	70,500	0	29,500	120,000
		Support costs	2,600	0	9,165	0	3,835	15,600
	UNDP	Project costs	0	0	50,000	0	40,000	90,000
		Support costs	0	0	4,500	0	3,600	8,100
Total project costs requested in principle (US\$)			20,000	0	120,500	0	69,500	210,000
Total support costs requested in principle (US\$)			2,600	0	13,665	0	7,435	23,700
Total funds requested in principle (US \$)			22,600	0	134,165	0	76,935	233,700

(VII) Request for funding for the first tranche (2016)		
Agency	Funds requested (US \$)	Support costs (US \$)
UNEP	20,000	2,600

Funding request:	Approval of funding for the first tranche (2016) as indicated above
Secretariat's recommendation:	Individual consideration

PROJECT DESCRIPTION

1. On behalf of the Government of South Sudan, UNEP as the lead implementing agency, has submitted, to the 77th meeting, stage I of the HCFC phase-out management plan (HPMP)¹ at a total cost of US \$350,950, consisting of US \$190,000 plus agency support costs of US \$24,700 for UNEP, and US \$125,000 plus agency support costs of US \$11,250 for UNDP, as originally submitted, to achieve a 35 per cent reduction in HCFC consumption by 2020.

2. The first tranche for stage I of the HPMP being requested at this meeting amounts to US \$178,000, consisting of US \$90,000 plus agency support costs of US \$11,700 for UNEP, and US \$70,000 plus agency support costs of US \$6,300 for UNDP, as originally submitted.

Background

3. South Sudan is a landlocked country in north eastern Africa that became independent in 2011. It has a total population of about 12 million inhabitants and it ratified the Montreal Protocol and all its amendments in 2012. The country has experienced political conflicts and economic disturbances and is currently administered by a transitional government.

ODS regulations

4. The Ministry of Environment is the focal point for implementation of the Montreal Protocol and hosts the national ozone unit (NOU), which coordinates activities at the operational level. The Government of South Sudan has put in place a licensing system for the control of imports and exports of ODS including HCFCs by means of a ministerial order². It has also approved the National Environmental Policy for the period from 2015 to 2025, which authorizes the Ministry of Environment to implement the ODS licensing and quota system. A National Ozone Steering Committee has been established to coordinate all HCFC phase-out activities.

HCFC consumption and sector distribution

5. During the preparation of the HPMP, field surveys were conducted to collect HCFC consumption data. Based on the survey, HCFC-22 is the only HCFC imported and is used solely in servicing refrigeration and air-conditioning (RAC) equipment. Other refrigerants used in the country include HFCs (R-410A, HFC-134a, R-404A) and hydrocarbons (HC-600a). The HCFC consumption data is shown in Table 1.

Table 1. HCFC consumption in South Sudan (2009-2015 Article 7 data)

HCFC-22	2009	2010	2011	2012	2013	2014	2015	Baseline
Metric tonnes	74.54	74.54	78.18	84.36	42.00	58.91	61.00	74.54
ODP tonnes	4.10	4.10	4.30	4.64	2.31	3.24	3.36	4.10

6. There are approximately 40,000 units of RAC equipment installed in the country, of which approximately 90 per cent use HCFC-22. The distribution of equipment is presented in Table 2.

¹ As per the letter of 25 August 2016 from the Ministry of Environment of the Republic of South Sudan to the Secretariat.

² At the 56th meeting of the Implementation Committee, the Government of South Sudan reported the establishment and operation of a licensing system (Recommendation 56/8 of document UNEP/OzL.Pro/ImpCom/56/4).

Table 2: HCFC-22 consumption by sector based on the survey

Type of equipment	Number of units	Average charge	Total installed refrigerant	Leakage rate	Estimated servicing needs	
		(kg/unit)	(mt)	(%)	(mt)	(ODP tonnes)
Commercial refrigerators, display cabinet, chest freezers	8,000	2.0	16.00	20	3.20	0.18
Cold stores and bice making	10	6.0	0.06	85	0.05	0.00
Window AC	7,000	2.0	14.00	10	1.40	0.08
Split AC	21,000	1.2	25.20	250	63.75	3.51
Central AC system/chillers	12	8.0	0.096	50	0.05	0.00
Total	36,022		55.36		68.45	3.77

Forecast of HCFC consumption

7. Economic development has been uneven in South Sudan since its independence due to the civil conflicts affecting oil production. If the stability continues and oil production recovers, the economy is expected to grow rapidly, with forecast growth of 8 per cent in HCFC consumption under the unconstrained scenario based on the need for servicing RAC equipment.

HCFC phase-out strategy

8. The Government of South Sudan will follow the Montreal Protocol reduction schedule and adopt a staged approach to phase out HCFCs. The Government proposes to achieve compliance with the Montreal Protocol control targets up to 2020 through the implementation of stage I of the HPMP, and will focus on activities in the RAC servicing sector.

9. During stage I, the Government will further strengthen the legal framework through the development of regulations to provide stronger support for the implementation of the licensing and quota system. A comprehensive database will be developed covering the HCFC importers, major HCFC equipment installed in the country, and service workshops and commercial users. Training of customs officers and provision of refrigerant identifiers will facilitate the detection of ODS and better monitoring of HCFC imports. Training of technicians and provision of servicing tools will enable good servicing practices and reducing the demand for HCFCs. The Government will also train technicians in servicing equipment with low-global warming potential (GWP) alternatives.

Monitoring and coordination

10. The NOU, with the assistance of UNEP, will be responsible for coordinating, monitoring and reporting the progress of HPMP implementation.

Overall cost of stage II of the HPMP

11. The total cost of stage I of the HPMP has been estimated at US \$315,000 to achieve a 35 per cent reduction in HCFC consumption by 2020, as shown in Table 3. This will result in the phase-out of 26.09 mt (1.44 ODP tonnes) of HCFCs.

Table 3: Overall cost of stage I of the HPMP for South Sudan

Description of Activities	Agency	2016	2018	2020	Total
		(US \$)	(US \$)	(US \$)	(US \$)
Strengthening regulatory framework	UNEP	30,000			30,000
Training of customs and law enforcement officers	UNEP	35,000	51,000		50,000
Training of refrigeration servicing technicians and establishment of an association for refrigeration technicians	UNEP	15,000	43,500	21,500	80,000
Tools and equipment for technicians	UNDP	70,000	55,000		125,000
Project management, monitoring and reporting	UNEP	10,000	10,000	10,000	30,000
Total		160,000	123,500	31,500	315,000

Activities planned for the first tranche

12. Activities planned for the first tranche include national consultation and legal service for policy development; developing training material, training 10 trainers for Customs and providing two refrigerant identifiers; training 10 trainers in good servicing practices and assisting establishment of refrigeration association; provision of tools and equipment for good practices, refrigerant recovery and retrofitting; and monitoring and reporting.

SECRETARIAT'S COMMENTS AND RECOMMENDATION**COMMENTS**

13. The Secretariat reviewed the HPMP for South Sudan in the context of the guidelines for the preparation of HPMPs (decision 54/39), the criteria for funding stage I of HCFC phase-out in the consumption sector agreed at the 60th meeting (decision 60/44); subsequent decisions on HPMPs; and the 2016-2018 business plan of the Multilateral Fund.

Operational licensing system

14. In line with decision 63/17, the Government of South Sudan has reaffirmed its commitment to comply with the Montreal Protocol control targets through the implementation and enforcement of the licensing and quota system. The Government has also developed draft regulations for managing ODS, setting out detailed procedures for issuing licenses and monitoring imports. The quotas for 2017 will be set at 1.48 ODP tonnes.

Starting point for aggregate reduction in HCFC consumption

15. The reporting of HCFC consumption by South Sudan only started in 2012, after the country ratified the Montreal Protocol. The baseline was estimated based on the survey conducted during the preparation of the HPMP. In reviewing the HPMP, the Secretariat noted that the consumption of HCFC-22 reported by the Government was based on the estimated servicing needs of the 36,000 RAC units in operation (as shown in Table 2). The HCFC consumption for servicing the 21,000 split AC equipment was estimated at 63.75 mt, representing a leakage rate of 250 per cent. After further discussions with UNEP, it was agreed to consider a lower leakage rate resulting in an annual consumption of 25.20 mt. On this basis, the overall consumption was estimated at 29.90 mt (1.64 ODP tonnes, instead of 68.45 mt or 3.76 ODP tonnes). UNEP will discuss with the Government to reduce the baseline based on the adjusted survey data.

Cost-related issues

16. Based on the starting point of 29.90 mt (1.64 ODP tonnes), the eligible funding for South Sudan to achieve a 35 per cent reduction in HCFC consumption by 2020 would be US \$210,000. The revised costs and activities are shown in Table 4.

Table 4: Agreed overall cost of stage I of the HPMP for South Sudan

Description of Activities	Agency	2016	2018	2020	Total
		(US \$)	(US \$)	(US \$)	(US \$)
Strengthen regulatory framework	UNEP	20,000	0	0	20,000
Training of customs and law enforcement officers	UNEP	0	30,000	10,000	40,000
Training of refrigeration servicing technicians and establishment of an association for refrigeration technicians	UNEP	0	33,000	12,000	45,000
Tools and equipment for technicians	UNDP	0	50,000	40,000	90,000
Project management, monitoring and reporting	UNEP	0	7,500	7,500	15,000
Total		20,000	120,500	69,500	210,000

Technical issues

17. Other issues, including the introduction of flammable refrigerants, reducing HCFC growth, and implementation modalities were discussed and satisfactorily addressed. South Sudan will promote natural refrigerants through the introduction of new equipment only. Training of technicians in safe handling of flammable and toxic refrigerants (e.g., hydrocarbon, CO₂ and NH₃), and the development of safety standards planned for stage I will address the safety concerns linked to using flammable and toxic refrigerants. Through information dissemination, the Government will promote the use of non-ODS alternatives to reduce the growth of HCFC consumption in future years.

18. South Sudan had been experiencing civil unrest and conflict in recent years. The Secretariat was concerned about whether an enabling environment for HPMP implementation already existed and how the activities would be delivered on the ground. Although the capital city, Juba, is relatively safe and other agencies are still visiting the country, given the current security situation, it might be challenging to mobilize international resources to deliver training activities within the country. After discussing with UNEP and consultation with the Government, it was agreed that the first tranche will only plan for minimum funding of US \$20,000 focusing on strengthening institutional and regulatory framework, establishing the communication channel within the Government and the procedures for implementing the licensing and quota system for HCFCs. If the first tranche implementation goes well, more funding could be requested in the second tranche to facilitate further capacity development in the servicing sector.

Impact on the climate

19. The proposed technical assistance activities in the HPMP, which include the introduction of better servicing practices, enforcement of HCFC import controls, more frequent preventive servicing of equipment and replacement of HCFC-based with non-HCFC equipment, will reduce the amount of HCFC-22 used for refrigeration servicing. The Government of South Sudan is also proposing to introduce low-GWP alternatives which will contribute to further reductions in CO₂ emissions. Each kilogramme of HCFC-22 not emitted due to better refrigeration practices results in savings of approximately 1.8 CO₂-equivalent tonnes. It is difficult to provide reliable data on climate impact since the HCFC alternatives that will be used are not clearly identified at this stage. At this time, the Secretariat is not in a position to quantitatively estimate the impact of the HPMP on the climate.

Co-financing

20. In response to decision 54/39(h)³, UNEP informed the Secretariat that the Government of South Sudan is exploring the opportunity for co-funding. This might occur during implementation of stage I of the HPMP.

2016-2018 business plan of the Multilateral Fund

21. UNEP and UNDP are requesting US \$210,000, plus agency support costs, for the implementation of stage I of the HPMP (2016-2020). Of this amount, US \$156,765 is requested for the 2016-2018 triennium, which is US \$26,205 above the total amount in the business plan for these years.

Draft Agreement

22. A draft Agreement between the Government of South Sudan and the Executive Committee for HCFC phase-out is contained in Annex I to the present document.

RECOMMENDATION

23. The Executive Committee may wish to consider:

- (a) Approving, in principle, stage I of the HCFC phase-out management plan (HPMP) for South Sudan for the period 2016 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$233,700, consisting of US \$120,000, plus agency support costs of US \$15,600 for UNEP, and US \$90,000, plus agency support costs of US \$8,100 for UNDP;
- (b) Noting that the Government of South Sudan had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption at 1.64 ODP tonnes, based on the data collected from the survey during preparation for stage I of the HPMP;
- (c) Deducting 0.57 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) Approving the draft Agreement between the Government of South Sudan and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex I to the present document; and
- (e) Approving the first tranche of stage I of the HPMP for South Sudan and the corresponding implementation plan, at the amount of US \$20,000, plus agency support costs of US \$2,600 for UNEP.

³ Potential financial incentives and opportunities for additional resources to maximize the environmental benefits from HPMPs pursuant to paragraph 11(b) of decision XIX/6.

Annex I

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SOUTH SUDAN 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 South Sudan (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 1.07 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; and
 - (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.

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 UNDP 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.64

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	3.69	3.69	3.69	3.69	2.67	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.48	1.48	1.48	1.48	1.07	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	20,000	0	70,500	0	29,500	120,000
2.2	Support costs for Lead IA (US \$)	2,600	0	9,165	0	3,835	15,600
2.3	Cooperating IA (UNDP) agreed funding (US \$)	0	0	50,000	0	40,000	90,000
2.4	Support costs for Cooperating IA (US \$)	0	0	4,500	0	3,600	8,100
3.1	Total agreed funding (US \$)	20,000	0	120,500	0	69,500	210,000
3.2	Total support costs (US \$)	2,600	0	13,665	0	7,435	23,700
3.3	Total agreed costs (US \$)	22,600	0	134,165	0	76,935	233,700
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						0.57
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)						1.07

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. The National Ozone Unit (NOU) will be monitoring the implementation of the project activities and will prepare a quarterly progress report for the project. The monitoring programme will therefore ensure effectiveness of all the proposed projects within the HPMP through constant monitoring and periodic review of the performance of individual projects. Independent verification will be conducted by a consultant arranged by the Lead IA.

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 advise the appropriate national agencies through the NOU.

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.
