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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Seventy-ninth Meeting  
Bangkok, 3-7 July 2017

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

Introduction

1. The 79<sup>th</sup> meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the United Nations Conference Centre, Bangkok, Thailand, from 3 to 7 July 2017.
2. The meeting was attended by representatives of the following countries, members of the Executive Committee in accordance with decision XXVIII/14 of the Twenty-Eighth Meeting of the Parties to the Montreal Protocol:
  - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Australia, Austria (Chair), Belgium, Germany, Japan, Slovakia and the United States of America; and
  - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Argentina, Bosnia and Herzegovina, Cameroon, China, Lebanon (Vice-Chair), Mexico and Nigeria.
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), 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, the Vice-President of the Implementation Committee and members of the Replenishment Task Force of the Technology and Economic Assessment Panel (TEAP) were also present.
5. A representative from the Global Environment Facility was present.
6. Representatives of the Alliance for Responsible Atmospheric Policy, the Environmental Investigation Agency, the Institute for Governance and Sustainable Development, the Lawrence Berkeley

National Laboratory, the Natural Resources Defense Council, and the Refrigerant Gas Manufacturers' Association of India also attended as observers.

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

7. The meeting was opened by the Chair, Mr. Paul Krajnik, who welcomed members to the first regular meeting of 2017. He recalled that the 78<sup>th</sup> meeting held in April 2017 had been a special meeting devoted to addressing matters related to the Kigali Amendment, some of which would also be taken up at the 79<sup>th</sup> meeting. The Chair went on to highlight the imperative to consider the activities in the 2017 business plan in order to ensure that, as far as possible, the entire budget for the 2015–2017 triennium could be committed by the end of the 80<sup>th</sup> meeting. That was a particular priority given that activities amounting to US \$128 million had not been submitted to the 79<sup>th</sup> meeting. Under business planning, the Executive Committee would be considering tranche submission delays and an update on the implementation of the 2017–2019 business plan, including information on the number of HFC-related activities submitted to the 79<sup>th</sup> meeting that were not included in the business plans and were not required for compliance.

8. The Chair mentioned that the Executive Committee, at the present meeting, would be considering the status of contributions, the report on country programme (CP) data, an evaluation of the performance of the bilateral and implementing agencies, an amendment to the 2017 monitoring and evaluation programme, reports on specific projects, the consolidated project completion report (PCR), a report on the inventory of enterprises database, and a report on the review of the administrative cost regime and its core unit funding budget.

9. With regard to project proposals, the Executive Committee would be considering funding requests for activities amounting to over US \$73 million. The Chair drew the members' attention to two policy matters arising from project proposals. One issue was the submission of funding requests for HFC activities, including project preparation for five countries and investment projects for two countries to replace the use of HFC-134a in refrigeration manufacturing. The second policy issue related to the regulatory measures required to ensure the sustainability of complete phase-out of HCFCs in manufacturing sectors.

10. The Chair concluded his opening remarks by thanking members in advance for their hard work and commitment, and urging them to work with their customary efficiency to complete the meeting's very full agenda.

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

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

11. The Executive Committee adopted the following agenda for the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/79/1:

1. Opening of the meeting.
2. Organizational matters:
  - (a) Adoption of the agenda;
  - (b) Organization of work.
3. Secretariat activities.

4. Financial matters:
  - (a) Status of contributions and disbursements;
  - (b) Report on balances and availability of resources.
5. Country programme data and prospects for compliance.
6. Evaluation:
  - (a) Evaluation of the performance of implementing agencies against their 2016 business plans;
  - (b) Amendment to the monitoring and evaluation work programme for 2017 (decision 77/7(b)).
7. Programme implementation:
  - (a) Progress reports as at 31 December 2016:
    - (i) Consolidated progress report;
    - (ii) Bilateral agencies;
    - (iii) UNDP;
    - (iv) UNEP;
    - (v) UNIDO;
    - (vi) World Bank;
  - (b) Reports on projects with specific reporting requirements;
  - (c) 2017 consolidated project completion report;
  - (d) Inventory of enterprises database report (decision 77/5).
8. Business planning:
  - (a) Update on the status of implementation of the 2017-2019 consolidated business plan of the Multilateral Fund;
  - (b) Tranche submission delays.
9. Project proposals:
  - (a) Overview of issues identified during project review;
  - (b) Bilateral cooperation;
  - (c) Work programmes:
    - (i) 2017 work programme of UNDP;

- (ii) 2017 work programme of UNEP;
  - (iii) 2017 work programme of UNIDO;
  - (d) Review of the overall structure of the Compliance Assistance Programme (decision 77/38(c));
  - (e) Investment projects.
10. Report on the review of the administrative cost regime and its core unit funding budget (decision 75/69).
11. Matters related to the Kigali Amendment to the Montreal Protocol:
- (a) Status of additional contributions to the Multilateral Fund (decision 78/1(c));
  - (b) Overall analysis of the results of the surveys of ODS alternatives (decision 74/53);
  - (c) Development of the cost guidelines for the phase-down of HFCs in Article 5 countries:
    - (i) Draft criteria for funding (decision 78/3);
    - (ii) Draft guidelines on enabling activities (decision 78/4(a));
  - (d) Key aspects related to HFC-23 by-product control technologies (decision 78/5);
  - (e) Procedures for Article 5 countries that have HFC consumption baseline years from 2020 to 2022 in accessing additional voluntary contributions for enabling activities.
12. Report of the Sub-group on the Production Sector.
13. Other matters.
14. Adoption of the report.
15. Closure of the meeting.

**(b) Organization of work**

12. The Executive Committee agreed to consider, under agenda item 13, Other matters, whether to hold two or three meetings in 2018 and the dates and venues of those meetings.

13. The Executive Committee also agreed to reconvene the Sub-group on the Production Sector constituted at the 78<sup>th</sup> meeting with the following composition: Argentina, Australia (facilitator), Austria, China, Germany, Lebanon, Mexico and the United States of America.

14. One member urged the members of the Executive Committee to be particularly cognizant of the important matters relevant to the ODS phase-out and HFC phase-down activities of Article 5 countries to be considered at the present meeting, and to facilitate the work of those countries in carrying out their programmatic activities.

**AGENDA ITEM 3: SECRETARIAT ACTIVITIES**

15. The Chief Officer welcomed the members of the Executive Committee and other participants to the present meeting. In particular, he welcomed Ms. Emilia Battaglini, who would be attending her first Executive Committee meeting as head of the World Bank Montreal Protocol Coordination Unit.

16. He then introduced document UNEP/OzL.Pro/ExCom/79/2, which provided an overview of the work done by the Secretariat since the 77<sup>th</sup> meeting, with the exception of activities following the 77<sup>th</sup> meeting to address matters related to the Kigali Amendment, and potential additional contributions to the Multilateral Fund, which had already been reported at the 78<sup>th</sup> meeting.

17. The Secretariat had continued to interact with related organizations, including the Secretariat of the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants, the Global Environment Facility, the Ozone Secretariat and the Lawrence Berkeley National Laboratory, and had continued informal discussions with representatives of the Kigali Cooling Efficiency Programme to answer questions on the monitoring and reporting mechanisms of the Multilateral Fund. In April 2017, the Secretariat had hosted a visit by the Federal Minister of Agriculture, Forestry, Environment and Water Management of Austria.

18. One member requested that the annex to future reports on Secretariat activities contain information on the status of all ongoing discussions with multilateral environment agreements and other relevant organizations, rather than only new information. That would enable the Executive Committee to have an overview.

19. One member requested information on the implications for the Secretariat of the rotational staff policy of the United Nations, given the highly technical nature of the work undertaken by the Fund Secretariat. Another member said that the excellent preparation for meetings of the Executive Committee was due in large part to the historical expertise of Secretariat staff, and urged that the rotational policy be implemented in a measured and rational manner. The Chief Officer said that matter was relevant to a number of United Nations organizations, and discussions thereon were continuing with relevant staff at UNEP. The Secretariat would keep the Executive Committee abreast of developments, as requested by several members.

20. The Executive Committee decided:

- (a) To note with appreciation the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/79/2;
- (b) To request the Secretariat to include in Annex I to future reports on Secretariat activities a full and comprehensive overview of the status of all discussions with multilateral environment agreements and other relevant organizations, rather than only providing new information; and
- (c) Further to request the Secretariat to keep the Executive Committee informed about the ongoing discussions on the application to the Secretariat of the rotational staff policy of the United Nations.

**(Decision 79/1)**

#### **AGENDA ITEM 4: FINANCIAL MATTERS**

##### **(a) Status of contributions and disbursements**

21. The Treasurer introduced documents UNEP/OzL.Pro/ExCom/79/3 and Corr.1 and provided updated information on countries' contributions to the Fund as at 1 June 2017. Since the report had been published, the Treasurer had received additional contributions of US \$14,659,962 from the Governments of Bulgaria, Canada, Finland, Luxembourg, Poland, Slovenia and the United Kingdom of Great Britain and Northern Ireland. With those additional contributions, the Fund's balance at 30 June 2017 had stood at US \$76,644,221, which comprised US \$62,746,479 in cash and US \$13,897,742 in promissory notes, 62 per cent of which were due for encashment in 2018. He said that the loss on the fixed-exchange rate mechanism (FERM) now stood at approximately US \$30 million and the Treasurer and the Secretariat had continued to follow-up on outstanding contributions.

22. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements, the information on promissory notes, and the countries that had opted to use the fixed-exchange rate mechanism during the 2015–2017 triennium contained in Annex I to the present report;
- (b) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible; and
- (c) To request the Chief Officer and the Treasurer to continue following up with countries that had contributions outstanding for one triennium or more and to report back to the 80<sup>th</sup> meeting.

**(Decision 79/2)**

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

23. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/4. She said that funds being returned to the present meeting by the bilateral and implementing agencies amounted to US \$1,856,059, including support costs. That included an adjustment of US \$242,413 for UNDP to reflect the fact that funds had been returned twice for the same project. The Governments of Italy and Spain were also returning US \$203,182, including support costs, to the 79<sup>th</sup> meeting. Taking into account the report of the Treasurer under agenda item 4(a), Status of contributions and disbursements, the total funding available at the present meeting amounted to US \$78,500,280, which was sufficient to cover the funding associated with the projects for approval.

24. She also drew the attention of the Executive Committee to the return of funds from five projects, implemented by UNIDO, which had not been included in Annex III of the document, but assured the meeting that the combined returns would have no financial implications for the meeting.

25. The Executive Committee decided:

- (a) To note:
  - (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/79/4;

- (ii) That the funds being returned to the 79<sup>th</sup> meeting by the implementing agencies amounted to US \$1,960,282, consisting of US \$1,291,131, plus agency support costs of US \$147,728 from UNEP, and US \$486,204, plus agency support costs of US \$35,219, from UNIDO;
  - (iii) The adjustment for UNDP, thereby crediting the agency with US \$97,064, plus agency support costs of US \$7,159, to rectify the mistaken return of those amounts to the 76<sup>th</sup> meeting, which made the net level of funds being returned by the implementing agencies to the 79<sup>th</sup> meeting US \$1,856,059;
  - (iv) That the net level of funds being returned to the 79<sup>th</sup> meeting by the bilateral agencies was US \$203,182, consisting of US \$177,992, plus agency support costs of US \$23,139, from the Government of Italy, and US \$1,837, plus agency support costs of US \$214, from the Government of Spain;
  - (v) That UNDP held balances of US \$10,062, excluding support costs, for projects completed two years previously;
  - (vi) That UNEP held balances of US \$486,443, consisting of US \$146,435 and US \$340,008 in committed and not-committed balances, respectively, excluding support costs, for 13 projects completed over two years previously;
  - (vii) That UNIDO held balances of US \$54,232, excluding support costs, for two projects completed over two years previously;
  - (viii) That the Government of Germany's not-committed balances, totalling US \$5,961, including agency support costs, for one project that had been transferred, would be offset against any bilateral projects approved for the Government of Germany at the 79<sup>th</sup> meeting;
  - (ix) That the Government of Japan held balances totalling US \$1,179,170, consisting of US \$269,080 and US \$910,090 in committed and not-committed balances, respectively, including agency support costs, for one completed project and two projects completed "by decision of the Executive Committee";
- (b) To request:
- (i) The Treasurer to follow up with the Governments of Italy and Spain on the return, in cash, of the US \$203,182 being made to the 79<sup>th</sup> meeting as per sub-paragraph (a)(iv) above;
  - (ii) Bilateral and implementing agencies to return, no later than the 80<sup>th</sup> meeting, the balances of all projects completed over two years previously;
  - (iii) Bilateral and implementing agencies to disburse or cancel commitments not needed for completed projects and projects completed "by decision of the Executive Committee" and to return the balances to the 80<sup>th</sup> meeting; and
  - (iv) The Government of Japan and UNEP to return to the 80<sup>th</sup> meeting not-committed balances no longer required for future projects.

**(Decision 79/3)**

## **AGENDA ITEM 5: COUNTRY PROGRAMME DATA AND PROSPECTS FOR COMPLIANCE**

26. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/79/5 and Corr.1. In particular, he indicated that following issuance of the documents, Yemen, which had been in non-compliance for failing to submit its 2015 Article 7 data, had submitted that Article 7 data for both 2015 and 2016.

27. Following his introduction, the representative of the Secretariat responded to a number of questions and requests for clarification, noting among other things that information on emerging technologies such as CO<sub>2</sub> and ammonia was not reported because it was not currently part of the CP data report format.

28. With respect to the revision of the CP data report format to include HFCs, one member noted that the Open-Ended Working Group was to discuss Article 7 reporting at its upcoming meeting, and asked about the possibility of links between the two reporting activities. It was suggested that revisions to the CP data report format should reflect any relevant discussions and/or decisions at upcoming meetings of the Parties. The representative of the Secretariat said that internal discussions on the report format had been held with the Ozone Secretariat, and that the CP data report format would be consistent with the information requested by the Ozone Secretariat. However, the Secretariat proposed to finalize the CP data report format only once it had received all the survey reports, which were due by the 80<sup>th</sup> meeting.

29. It was agreed that all the HFC-related matters to be dealt with at the current meeting, including the revision of the CP data report format to include HFCs, would be discussed under agenda item 11, Matters related to the Kigali Amendment.

30. There was also considerable discussion about the range of prices reported by countries for HCFCs and alternatives. It was noted that the matter had already been discussed at several previous meetings, and that many factors could influence prices and lead to price discrepancies. It was suggested that the price data in the CP data reports be compared with price information submitted in project proposals; responding to that suggestion, the representative of the Secretariat said that price data was reviewed systematically when a project was submitted, and that the project information was generally considered more accurate than the information in the CP data report. There was also a question about whether the price data presented in the document represented free-on-board prices, retail prices or both. As clarification, the Chief Officer recalled that the Committee at its 68<sup>th</sup> meeting had requested governments to report prices for ODS and ODS substitutes on a voluntary basis, on an average import free-on-board basis. Nevertheless, he said, countries reported data based on different methodologies, which could affect the price, and the average price presented in the document was simply an indication of the data submitted by countries.

31. The Executive Committee decided:

- (a) To note:
  - (i) Documents UNEP/OzL.Pro/ExCom/79/5 and Corr.1 on country programme (CP) data and prospects for compliance;
  - (ii) That 82 countries had submitted 2016 CP data, 75 of them using the web-based system;
  - (iii) With concern, that 62 countries had not submitted 2016 CP data as at 16 May 2017, and that the Secretariat had therefore been unable to present an analysis on HCFC production and consumption for 2016;

- (b) To request:
  - (i) UNEP to report to the 80<sup>th</sup> meeting on the finalization of the formal HCFC quota system by the Government of Burundi, and the amendment of the licensing system on the accelerated control measures for HCFCs by the Government of Mauritania;
  - (ii) The Secretariat to send letters to the governments of countries with outstanding 2014, 2015 and 2016 CP data reports urging them to submit the reports immediately;
  - (iii) The relevant implementing agencies to continue assisting the Governments of Morocco, Nigeria and Turkey in clarifying data discrepancies between 2015 CP data and Article 7 data and to report back to the 80<sup>th</sup> meeting; and
- (c) To request the Secretariat to include in the “Overview of issues identified during project review” document issued at each meeting a summary of the prices of the controlled substances and the alternatives to be phased in, as communicated by enterprises requesting funding in any new project proposals, including clarification of any differences between those and the prices reported in the CP data reports.

**(Decision 79/4)**

#### **AGENDA ITEM 6: EVALUATION**

**(a) Evaluation of the performance of implementing agencies against their 2016 business plans**

32. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/6.

33. In the ensuing discussion, one member mentioned that there was little improvement in the performance indicators compared with 2015. She added that it was difficult to understand whether a given performance-indicator result confirmed a trend or reflected a one-time, specific situation. She therefore suggested that, in future, data be provided for multiple years to make it possible to spot trends and make better comparisons.

34. Another member wished to commend UNIDO on its good performance overall, as shown by its performance indicators, and to encourage all implementing agencies to improve their performance, in particular with regard to the indicators for project completion and for the timely submission of project completion reports.

35. Following the discussion, the Executive Committee decided:

- (a) To note:
  - (i) The evaluation of the performance of implementing agencies against their 2016 business plans, as contained in document UNEP/OzL.Pro/ExCom/79/6;
  - (ii) That all implementing agencies had a quantitative assessment of their performance for 2016 of at least 68 on a scale of 100;
  - (iii) That the trend analysis indicated that performance of implementing agencies had not improved in some indicators in 2016 in relation to 2015;

- (b) To request UNIDO to have open and constructive discussions with the national ozone units (NOUs) of Brazil, Georgia, Iraq, Kenya and Senegal about the areas in which its services were perceived to be less than satisfactory and to report back to the 80<sup>th</sup> meeting on the results of its consultations; and
- (c) To encourage NOUs to submit, on a yearly basis and in a timely manner, their assessments of the qualitative performance of the implementing agencies assisting their Government, noting that only 43 out of 144 countries had submitted questionnaires for 2016.

**(Decision 79/5)**

**(b) Amendment to the monitoring and evaluation work programme for 2017 (decision 77/7(b))**

36. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/79/7, which proposed to include an evaluation of the refrigeration servicing sector and the associated budget in the monitoring and evaluation work programme, and presented the terms of reference (TOR) for a desk study.

37. Following the introduction, members expressed support for including the proposed desk study and budget in the monitoring and evaluation work programme, as long as some amendments were made to the TOR, and provided that the consultant hired to conduct the desk study was given guidance by the Senior Monitoring and Evaluation Officer on the basis of the comments made by members at the present meeting.

38. The amendments to the TOR, as proposed by members at the meeting, were: to specify in the title that the TOR were for the desk study portion of the evaluation of the refrigeration servicing sector; and to reword the objective of the desk study to reflect more accurately the desired outcome. The guidance to be provided to the consultant by the Senior Monitoring and Evaluation Officer included: prioritizing the evaluation questions; ensuring that the questions remained open-ended rather than anticipating a given answer; clustering the questions logically around certain issues. Furthermore, the following key elements should be taken into account: how activities had contributed to HCFC phase-out; what policies had been put in place in the refrigeration servicing sector and those policies' relevance to HFC phase-down; the extent to which activities in the servicing sector were sustainable, and ways of sustaining them; key lessons learned for sustaining activities and for dealing with alternatives with low global-warming potential (GWP); what training programmes had been developed, particularly with regard to safety measures, and which ones could be continued; and the extent to which there had been implementation delays, and what the cause of those delays had been. The TOR were subsequently revised as contained in Annex I of document UNEP/OzL.Pro/ExCom/79/7/Corr.1.

39. Following the discussion, the Executive committee decided:

- (a) To approve:
  - (i) The inclusion of the desk study for an evaluation of the refrigeration servicing sector, and the related budget of US \$15,000, in the 2017 monitoring and evaluation work programme pursuant to decision 77/7(b), bringing the total budget for 2017 to US \$158,484; and
  - (ii) The terms of reference for such an evaluation contained in Annex I to document UNEP/OzL.Pro/ExCom/79/7/Corr.1.

**(Decision 79/6)**

**AGENDA ITEM 7: PROGRAMME IMPLEMENTATION**

**(a) Progress reports as at 31 December 2016**

**(i) Consolidated progress report**

40. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/8.

41. One member raised queries about delays in implementation of and reporting on ODS waste disposal demonstration projects and the measurement of the cost-effectiveness of investment projects. Another member requested clarification of the reasons for delays in implementation of some projects, and expressed concern at the delays in submission of surveys of ODS alternatives, urging the implementing agencies to follow up with those countries that had not yet submitted their surveys.

42. Regarding the measurement of cost-effectiveness, the Chief Officer said that, in future, as requested by some Parties, reporting would be in both ODP and metric units. On the specific matter of destruction, he noted that the Executive Committee had decided that detailed reporting was required for ODS waste disposal projects, which would accordingly be addressed under agenda item 7(b), Reports on projects with specific reporting requirements.

43. The Executive Committee decided to note:

- (a) The consolidated progress report of the Multilateral Fund as at 31 December 2016 contained in document UNEP/OzL.Pro/ExCom/79/8;
- (b) With appreciation, the efforts undertaken by bilateral and implementing agencies in reporting the 2016 activities; and
- (c) That the bilateral and implementing agencies would report to the 80<sup>th</sup> meeting on 109 ongoing projects or tranches, including 11 projects with implementation delays and 98 recommended for additional status reports, as contained in Annexes II to VI to the present report.

**(Decision 79/7)**

**(ii) Bilateral agencies**

44. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/9.

45. The Executive Committee decided:

- (a) To note with appreciation the progress reports submitted by the Governments of Australia, France, Germany, Italy, Japan, the Russian Federation and Spain contained in document UNEP/OzL.Pro/ExCom/79/9;
- (b) To approve the actions related to ongoing projects with specific issues contained in Annex II to the present report.

**(Decision 79/8)**

**(iii) UNDP**

46. The representative of UNDP introduced documents UNEP/OzL.Pro/ExCom/79/10 and Corr.1.

47. In response to a query, the representative of UNDP said that India had not completed its survey on ODS alternatives because, as it had indicated at the 78<sup>th</sup> meeting of the Committee, it did not feel obligated to provide information that was requested only of the Article 5 countries and not of the non-Article 5 countries.

48. In response to a query about the delay in the ODS waste disposal project in Colombia, the representative of UNDP said that the test burns had been conducted and the licensing process for destruction of ODS to complete the project was under review. Additional information would be provided when it became available. Another member said that she could provide further information to interested parties, bilaterally, in order to clarify the reasons for the project delays in Brazil and Colombia and the difficulties in implementing projects of that type. Subsequently, the Committee decided to consider those projects under agenda item 7(b), Reports on projects with specific reporting requirements.

49. Furthermore, with regard to those ODS waste disposal projects for which reports were yet to be provided, another member said that it would be useful to review in general whether the timelines for such projects with reporting requirements were appropriate, in order to inform the discussion under agenda item 7(b), Reports on projects with specific reporting requirements.

50. The Executive Committee decided:

- (a) To note the progress report of UNDP as at 31 December 2016 contained in documents UNEP/OzL.Pro/ExCom/79/10 and Corr.1;
- (b) To approve the actions related to ongoing projects with specific issues contained in Annex III to the present report.

**(Decision 79/9)**

**(iv) UNEP**

51. The representative of UNEP introduced document UNEP/OzL.Pro/ExCom/79/11.

52. In response to a question as to why no phase-out in consumption had been reported for 2016 when 65 projects had been completed the same year, the representative of UNEP explained that the agency had implemented only the non-investment component of the projects and that there was no ODP tonnage associated with those components. The reports for 35 of the 84 approved projects for ODS alternatives had been submitted to the Secretariat and, over the following months, the remaining reports would be made available. The final report for the ODS disposal project for Nepal had been submitted to the Secretariat and that project had a 99 per cent disbursement rate. The funding for the technical assistance programme for Trinidad and Tobago had been fully disbursed. The representative of UNEP also explained that the performance rate had seen a temporary decline in 2014 owing to implementation of the UMOJA payment system. Since 2015, however, the rate had improved and, in 2016, UNEP had disbursed US \$13.86 million. That was more than the US \$13.06 million that had been planned, leading to 106 per cent disbursement rate. He also explained that, under UNEP's small-scale funding agreements, payments were made in three tranches, the first of which was a cash advance. Under the UMOJA system, however, those cash advances were no longer recorded as disbursed until the expenditure report had been received.

53. The Executive Committee decided:

- (a) To note the progress report of UNEP as at 31 December 2016 contained in document UNEP/OzL.Pro/ExCom/79/11; and
- (b) To approve the actions related to ongoing projects with specific issues contained in Annex IV to the present report.

**(Decision 79/10)**

**(v) UNIDO**

54. The representative of UNIDO introduced document UNEP/OzL.Pro/ExCom/79/12.

55. One member requested clarification of why projects were now being completed, on average, 50 months after their approval, when the previous average completion time had been 36 months. The representative of UNIDO said that he would review the projects completed during 2016, after which he would respond to the member bilaterally. He also explained, in response to a query on ODS waste disposal projects, that the submission dates for those projects had been agreed in consultation with the Secretariat.

56. The Executive Committee decided:

- (a) To note the progress report of UNIDO as at 31 December 2016 contained in document UNEP/OzL.Pro/ExCom/79/12; and
- (b) To approve the actions related to ongoing projects with specific issues contained in Annex V to the present report.

**(Decision 79/11)**

**(vi) The World Bank**

57. The representative of the World Bank introduced document UNEP/OzL.Pro/ExCom/79/13.

58. The Executive Committee decided:

- (a) To note the progress report of the World Bank as at 31 December 2016 contained in document UNEP/OzL.Pro/ExCom/79/13; and
- (b) To approve the actions related to ongoing projects with specific issues contained in Annex VI to the present report.

**(Decision 79/12)**

**(b) Reports on projects with specific reporting requirements**

59. The Chair introduced document UNEP/OzL.Pro/ExCom/79/14, which contained four parts.

Part I: HCFC phase-out management plans/HCFC production phase-out management plan

*Specific reports due to be submitted to the 79<sup>th</sup> meeting, but not submitted*

60. The Executive Committee decided to urge the relevant implementing agencies to submit outstanding reports on stage I of the HCFC phase-out management plans for Cuba, Indonesia, the Islamic Republic of Iran and Viet Nam to the 80<sup>th</sup> meeting.

**(Decision 79/13)**

*Return of balances from sale of the equipment purchased for SAGA in Armenia (UNDP)*

61. The Executive Committee decided to note the return of the balance of US \$95,479 from the sale of equipment purchased for SAGA under stage I of the HCFC phase-out management plan for Armenia.

**(Decision 79/14)**

*Stage I of the HPMP for Chile (annual progress report) (UNDP)*

62. The Executive Committee decided:

- (a) To note the 2016 progress report on the implementation of stage I of the HCFC phase-out management plan (HPMP) for Chile, submitted by UNDP; and
- (b) To request UNDP to submit the 2016 HCFC consumption verification report as part of the requirements for stage I of the HPMP, no later than to the 80<sup>th</sup> meeting.

**(Decision 79/15)**

*Stage I of the HPMP for China (UNDP)*

63. Following the introduction by the Chair, one member noted that the language used in the letter from DunAn Environment, in which it undertook not to engage in the production of air-conditioning equipment using refrigerants with a GWP higher than that of HFC-32, was different from the language used in decision 77/35. That decision called for a letter stating the enterprise's commitment to manufacture products and/or equipment using only the technology for which funding had been approved; in the case of DunAn Environment, that was HFC-32. He was concerned about setting a precedent allowing an enterprise to be funded for conversion to one substance, but then to start using another. That would mean that it would receive funding for capital costs, and possibly incremental operating costs, to which it would not have been entitled. Several members reacted to his comments by stressing the importance of facilitating the use of more environmentally friendly technologies, wherever possible.

64. Responding to a request for clarification regarding how a change in technology would be handled, the representative of the Secretariat said that under the current Agreement between the Government and the Executive Committee, a change in technology was considered to be a major change and, as such, required approval by the Committee. Furthermore, any incremental saving resulting from the change of technology should be returned to the Fund. She added that conversion to the designated technology had been completed at DunAn Environment, but the incremental operating costs had not been fully disbursed.

65. The Executive Committee decided to note:

- (a) The commitment letter submitted by the enterprise DunAn Environment, through UNDP, pursuant to decision 77/21(c), ensuring that the manufacturing lines funded by the

Multilateral Fund would continue to manufacture equipment using only the technology for which funding had been approved; and

- (b) That incremental operating costs would not be provided until the enterprise was manufacturing equipment with the agreed technology, in accordance with decision 77/35.

**(Decision 79/16)**

*Stage I of the HCFC production phase-out management plan (HPPMP) in China (World Bank)*

66. Following the Chair's introduction of the sub-item, one member emphasized the need for the progress report to adequately reflect the goal of the technical activities on HFC-23 conversion/pyrolysis technologies, which was to find the most cost-effective solution for HFC-23 disposal, including its use in alternatives and products.

67. Following informal consultations among interested parties, the Executive Committee decided:

- (a) To note the status reports submitted by the World Bank on the technical assistance activities "research and study on HFC-23 conversion/pyrolysis technologies" and "investigation on reducing HFC-23 by-product ratio using best practices";
- (b) To request the World Bank to submit to the 81<sup>st</sup> meeting:
  - (i) A progress report on the status of implementation of the "research and study on HFC-23 conversion/pyrolysis technologies" covering the full range of HFC-23 conversion/pyrolysis technologies in the list of destruction processes approved by decision XXIII/12; and
  - (ii) The draft final report of the "investigation on reducing HFC-23 by-product ratio using best practices".

**(Decision 79/17)**

Part II: ODS waste disposal projects

68. The representative of the Secretariat introduced paragraphs 30 to 46 of the document.

69. It was proposed that a synthesis report be prepared once the bulk of the reports for completed pilot demonstration projects for ODS waste disposal had been received, in order to present key lessons learned to the Committee in a comprehensive manner.

70. The Executive Committee decided:

- (a) To note, with appreciation, the final reports on the pilot ODS waste management and disposal projects for Georgia and Ghana, submitted by UNDP, and for Nepal, submitted by UNEP;
- (b) To invite bilateral and implementing agencies to take into account, when appropriate, the lessons learned from the pilot ODS waste disposal demonstration projects mentioned in sub-paragraph (a) above, in the design and implementation of similar projects in future;

- (c) To request UNDP:
  - (i) To complete the pilot ODS waste disposal project in Brazil by December 2022, to submit the final report of the project to the first meeting of 2023 and a project completion report no later than July 2023, and to return fund balances no later than December 2023, on the understanding that no further extensions of the completion date of the project would be considered by the Executive Committee;
  - (ii) To complete the pilot ODS waste disposal project in Colombia by June 2019, to submit the final report of the project to the last meeting of 2019 and a project completion report no later than June 2020, and to return fund balances no later than December 2020, on the understanding that no further extensions of the completion date of the project would be considered by the Executive Committee;
  - (iii) To submit annual progress reports for the pilot ODS disposal projects in Brazil and Colombia as “projects with specific reporting requirements” until the projects had been completed;
- (d) To request bilateral and implementing agencies to submit final reports on outstanding ODS disposal pilot projects other than those in sub-paragraph (c) above, and to return to the 82<sup>nd</sup> meeting the remaining balances for projects for which reports had not been submitted to the 80<sup>th</sup> or 81<sup>st</sup> meeting; and
- (e) To request the Secretariat to submit to the 82<sup>nd</sup> meeting a synthesis report on the pilot ODS disposal projects completed thus far, collating lessons learned, and including issues related to project design, synergy with other projects, opportunities for resource mobilization, and the cost-effectiveness of the projects.

**(Decision 79/18)**

Part III: Chiller projects

71. During the discussion on the sub-item, one member proposed that the deadline for submission of the report for a chiller project in Argentina be extended from June 2018 to December 2018 in light of recent administrative delays. Another member, however, recalled that the chiller projects had been approved at the 47<sup>th</sup> and 48<sup>th</sup> meetings and said that the time had come to close the projects and return any unspent funds as soon as possible.

72. One member also asked that the reports on chiller projects to be submitted to the 80<sup>th</sup> meeting include information on leveraging of funds and how energy-efficiency benefits from the project had been identified and calculated.

73. The Executive Committee decided:

- (a) To reiterate decision 77/8(e)(ii);
- (b) To request bilateral and implementing agencies:
  - (i) To submit, to the 80<sup>th</sup> meeting, reports on all ongoing chiller projects as “projects with specific reporting requirements”; and
  - (ii) To submit project completion reports no later than June 2018 and to return fund balances no later than December 2018, for all chiller projects except the global chiller project (GLO/REF/47/DEM/268) implemented by the World Bank, for

which the project completion report should be submitted no later than December 2018 and fund balances returned no later than June 2019.

**(Decision 79/19)**

Part IV: Other reports on projects that were due, but not submitted

74. In response from an invitation from the Chair to provide updates on projects that were due, but had not been submitted, the representatives of UNEP and UNIDO indicated that updates on their respective projects had been included in their progress reports. The representative of the Secretariat then provided an update on the feasibility study in the Dominican Republic, saying that, according to UNDP, the project had been completed and the final report was being prepared. It was expected to be submitted to the Executive Committee at the 80<sup>th</sup> meeting.

75. The Executive Committee decided:

- (a) To reiterate relevant Executive Committee decisions;
- (b) To urge relevant implementing agencies to submit to the 80<sup>th</sup> meeting specific reports on:
  - (i) Feasibility studies addressing district cooling in the Dominican Republic (Punta Cana) (UNDP) and Egypt (UNIDO and UNEP), and comparative analysis of three not-in-kind technologies for use in central air-conditioning in Kuwait (UNIDO and UNEP);
  - (ii) The sector plan for the phase-out of methyl bromide production in China (UNIDO); and
  - (iii) Research and development projects, undertaken with funds from the Multilateral Fund, under the CFC production sector (World Bank).

**(Decision 79/20)**

**(c) 2017 consolidated project completion report**

76. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/79/15.

77. Following the introduction, one member reiterated the desire to ensure that Parties to the Montreal Protocol that were not members of the Executive Committee could have access to information on lessons learned from consolidated PCRs. She enquired about posting such information on the Secretariat's website. Another member highlighted the fact that, by submitting PCRs, implementing agencies reduced the burden on themselves, the members of the Executive Committee and the Secretariat, because submission of a PCR put an end to constant updates requiring review. He further pointed out that the section on lessons learned in the consolidated PCR contained the individual lessons extracted from each PCR submitted, rather than generalizations drawn from those lessons.

78. Following the discussion, the Executive Committee decided:

- (a) To note the 2017 consolidated project completion report (PCR) contained in document UNEP/OzL.Pro/ExCom/79/15;
- (b) To urge bilateral and implementing agencies to submit to the 80<sup>th</sup> meeting PCRs for multi-year agreements (MYAs) and individual projects that were due, and if they were

not going to submit, to provide the reasons for not doing so and the schedule for submission;

- (c) To urge lead and cooperating agencies to closely coordinate their work in finalizing their portions of PCRs to allow the lead implementing agency to submit the finished PCRs according on schedule;
- (d) To urge bilateral and implementing agencies to enter clear, well written and thorough lessons learned when submitting their PCRs; and
- (e) To invite all those involved in the preparation and implementation of MYAs and individual projects to take into consideration the lessons learned from PCRs, if relevant, when preparing and implementing future projects.

**(Decision 79/21)**

**(d) Inventory of enterprises database report (decision 77/5)**

79. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/16. The work of the Senior Monitoring and Evaluation Officer, the Secretariat and the implementing agencies in creating and populating the database was commended.

80. The Executive Committee decided:

- (a) To note the Inventory of enterprises database report (decision 77/5) contained in document UNEP/OzL.Pro/ExCom/79/16; and
- (b) Further to note that the bilateral and implementing agencies would incorporate into the Inventory of enterprises database relevant information on the HCFC-based enterprises converted with the Multilateral Fund assistance.

**(Decision 79/22)**

**AGENDA ITEM 8: BUSINESS PLANNING**

**(a) Update on the status of implementation of the 2017–2019 consolidated business plan of the Multilateral Fund**

81. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/79/17 and Add.1. Following the introduction, one member wished to clarify that the amount of US \$9,700,228 for HFC-related activities in the manufacturing sector, submitted to the 79<sup>th</sup> meeting pursuant to decision 78/3(g), had not been included in the consolidated business plan at the present meeting.

82. The Executive Committee decided:

- (a) To note the update on the status of implementation of the 2017–2019 consolidated business plan contained in documents UNEP/OzL.Pro/ExCom/79/17 and Add.1; and
- (b) Further to note that US \$9,700,228 for HFC-related activities in the manufacturing sector pursuant to decision 78/3(g) had been submitted to the 79<sup>th</sup> meeting, but that it had not been included in the 2017–2019 consolidated business plan.

**(Decision 79/23)**

**(b) Tranche submission delays**

83. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/18.

84. One member said that the relatively low proportion of tranche submissions, as a percentage of the total due to be submitted to the present meeting, could indicate that many countries were implementing their policies and licensing systems successfully, and thus meeting their compliance obligations under the Montreal Protocol without the need for assistance at the present time.

85. The Executive Committee decided:

(a) To note:

(i) The report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/79/18;

(ii) The information on tranche submission delays under HCFC phase-out management plans (HPMPs) submitted by the Governments of France, Germany and Japan, and UNDP, UNEP, UNIDO and the World Bank;

(iii) That 24 out of 65 activities relating to tranches of HPMPs due for submission to the 79<sup>th</sup> meeting had been submitted on time and that eight of those activities had been withdrawn following discussions with the Secretariat;

(iv) That relevant implementing agencies had indicated that the late submission of the tranches of HPMPs due for submission at the second meeting of 2017, and the withdrawal of certain submissions, would have no impact or were unlikely to have an impact on compliance with the Montreal Protocol, and that there had been no indication that any of the countries concerned were in non-compliance with the Montreal Protocol control measures; and

(b) To request the Secretariat to send letters to relevant governments on the decisions on tranche submission delays in Annex VII to the present report.

**(Decision 79/24)**

**AGENDA ITEM 9: PROJECT PROPOSALS**

**(a) Overview of issues identified during project review**

86. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/19.

Submission of investment projects for the phase-down of HFCs pursuant to decision 78/3(g)

87. The representative of the Secretariat said that, pursuant to decision 78/3(g), funding requests had been received for the preparation of investment/demonstration projects to phase down HFCs in China, Ecuador, Lebanon, Mexico and Viet Nam, submitted by UNDP and UNIDO. In addition, funding requests had been received for fully developed HFC-related investment projects in Bangladesh and Colombia. No funding had been allocated during the current triennium for those activities.

88. Following the presentation, several members said that, while the issue of HFCs in investment and other projects was linked to and would be discussed under agenda item 11, Matters related to the Kigali Amendment, in particular under sub-item 11(c), Development of the cost guidelines for the phase-down of HFCs in Article 5 countries, it was important to give due consideration to the projects in their own

right. Members also raised a number of issues to help frame the discussion, including: how to deal with projects in countries that had not ratified the Kigali Amendment; how the phase-down related to national strategies and enabling activities; where the resources for conversions would come from; and how the early projects would provide information for the further development of the guidelines for financing the phase-down of HFC consumption and production.

89. Following the discussions of the contact group established under agenda item 11(c)(i), Development of the cost guidelines for the phase-down of HFCs in Article 5 countries: draft criteria for funding (decision 78/3), the Executive Committee agreed to defer consideration of all funding requests for HFC-related activities (see decisions 79/29, 79/30, 79/39 and 79/40).

Regulatory measures to ensure sustainability of complete phase-out of HCFCs in manufacturing sectors assisted by the Multilateral Fund

90. The Executive Committee considered the regulatory measures to completely phase out the use of HCFCs in the manufacture of extruded polystyrene (XPS) foam in Mexico. As the country's specific legislative framework did not allow for a ban on the use of HCFCs in the foam sector, the Government of Mexico had made a commitment not to issue quotas for HCFC-142b from 1 January 2020. To address concerns with regard to the potential use of HCFC-22 in the sector, the Government of Mexico made a further commitment to include in the import and consumption quotas issued for HCFC-22 an indication that those quantities could not be used in XPS foam manufacturing. A number of members agreed with the Secretariat's consideration that these measures ensured the sustainability of complete phase-out in the XPS foam manufacturing sector in Mexico's particular circumstances, indicating that, while policies banning the import and use of HCFCs were appropriate for most countries, a policy such as the one proposed by Mexico could be applied to achieve the goal of ensuring the sustainability of complete phase-out.

91. The Executive Committee decided to request bilateral and implementing agencies together with Article 5 countries, when preparing requests for funding for plans for complete HCFC phase-out in the manufacturing sector, to include the necessary regulatory measures to ensure the sustainability of complete HCFC phase-out in that specific sector, such as policies banning the import and/or the use of HCFC.

**(Decision 79/25)**

Blanket approval

Verification reports of low-volume consuming (LVC) countries' compliance with their HPMP agreement

92. The Executive Committee decided to request relevant bilateral and implementing agencies to include, in their respective amendments to the work programmes for submission to the 80<sup>th</sup> meeting, funding for verification reports for stage I of the HCFC phase-out management plans (HPMPs) in the amount of US \$30,000, plus agency support costs, for each of the following 15 Article 5 countries: Belize; Botswana; Comoros (the); Djibouti; Eritrea; Gabon; Guinea-Bissau; Oman; Palau; Samoa; Solomon Islands; Sudan (the); United Republic of Tanzania (the); Togo; and Tonga.

**(Decision 79/26)**

Projects and activities submitted for blanket approval

93. Regarding the list of projects submitted for blanket approval, the Executive Committee agreed to remove the requests for preparation for HCFC phase-out investment activities (stage II) (refrigeration

manufacturing sector) and for preparation of a HCFC phase-out management plan (stage II) in the Democratic People's Republic of Korea, and to consider them individually under agenda item 9(c)(iii), 2017 work programme of UNIDO, and to remove the requests for the third tranche of the HPMP for Mauritius, and for the third tranche of stage I of the HPMP for Togo, and to consider them individually under agenda item 9(e), Investment projects.

94. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex VIII 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; and noting that the following agreements had been updated:
  - (i) The Agreement between the Government of Afghanistan and the Executive Committee, as contained in Annex IX to the present report, to take into account the established HCFC baseline for compliance and the transfer of the component of the Government of Germany to UNIDO; and
  - (ii) The Agreement between the Government of Belize and the Executive Committee, as contained in Annex X to the present report, to take into account the established HCFC baseline for compliance; 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 XI to the present report.

**(Decision 79/27)**

**(b) Bilateral cooperation**

95. The Chair introduced document UNEP/OzL.Pro/ExCom/79/20.

96. The Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved at the 79<sup>th</sup> meeting as follows:

- (a) US \$675,590 (including agency fees) against the balance of Germany's bilateral contribution for 2015–2017; and
- (b) US \$282,500 (including agency fees) against the balance of Italy's bilateral contribution for 2017.

**(Decision 79/28)**

**(c) Work programmes**

**(i) 2017 work programme of UNDP**

97. Document UNEP/OzL.Pro/ExCom/79/21 contained the work programme of UNDP for 2017, which consisted of nine activities, including three requests for institutional strengthening (IS) renewal projects, one request for project preparation for stage II of an HPMP, and one request for technical assistance for preparation of a verification report that had all been approved as part of the list submitted for blanket approval under agenda item 9(a) above, and four requests for project preparation for HFC-related projects, for individual consideration.

China: Project preparation for air-conditioning and production-line optimization from HFC-134a to HFO-1234yf as refrigerant in a mobile-air-conditioning (MAC) manufacturer

China: Project preparation for conversion from HFC-245fa to HFO as a foam agent in a refrigerator manufacturer

China: Project preparation for conversion from HFC-134a to HC-290 in a freezer manufacturer

Mexico: Project preparation for a demonstration project for HFC phase-out in the production of refrigerators at Mabe Mexico

98. In light of the discussions of the contact group established under agenda item 11(c)(i), Development of the cost guidelines for the phase-down of HFCs in Article 5 countries: draft criteria for funding (decision 78/3), the Executive Committee decided to defer to the 80<sup>th</sup> meeting consideration of the requests for project preparation for HFC-related projects submitted by UNDP.

**(Decision 79/29)**

**(ii) 2017 work programme of UNEP**

99. Document UNEP/OzL.Pro/ExCom/79/22 contained the work programme of UNEP for 2017, which consisted of nine activities, including eight for IS renewal projects and one for project preparation for stage II of an HPMP that had all been approved as part of the list submitted for blanket approval under agenda item 9(a) above.

**(iii) 2017 work programme of UNIDO**

100. Document UNEP/OzL.Pro/ExCom/79/23 contained the work programme of UNIDO for 2017, which consisted of eight activities, including two requests for IS renewal projects that had been approved as part of the list submitted for blanket approval under agenda item 9(a) above, four proposals for the preparation of HFC-related demonstration projects in the manufacturing sector, for individual consideration, and two project preparation activities for stage II of the HPMP for the Democratic People's Republic of Korea, which had been withdrawn from the list of projects for blanket approval.

Ecuador: Project preparation for HFC-related projects in the manufacturing sector at Ecasa and Indurama enterprises to gain experience in ICCs and IOCs associated with the phase-down of HFCs

Lebanon: Project preparation for HFC-related project in the manufacturing sector at Lematic Industries to gain experience in ICCs and IOCs associated with the phase-down of HFCs in domestic refrigeration

Mexico: Project preparation for HFC-related projects in the manufacturing sector at Fersa and Imbera enterprises to gain experience in ICCs and IOCs associated with the phase-down of HFCs

Viet Nam: Project preparation for HFC-related projects in the manufacturing sector at Nagakawa Vietnam Company to gain experience in ICCs and IOCs associated with the phase-down of HFCs

101. In light of the discussions of the contact group established under agenda item 11(c)(i), Development of the cost guidelines for the phase-down of HFCs in Article 5 countries: draft criteria for funding (decision 78/3), the Executive Committee decided to defer to the 80<sup>th</sup> meeting consideration of the requests for project preparation for HFC-related projects submitted by UNIDO.

**(Decision 79/30)**

Democratic People's Republic of Korea: Preparation for HCFC phase-out investment activities (stage II) (refrigeration manufacturing sector)

Democratic People's Republic of Korea: Preparation of a HCFC phase-out management plan (stage II)

102. With regard to the requests for project preparation for the Democratic People's Republic of Korea, one member supported by another member expressed concerns regarding scientific and technical cooperation with the country by the Executive Committee, in the context of United Nations Security Council Resolution 2321 calling for such cooperation to be suspended. Previous approval of proposals for activities in the country had been subject to review by the Security Council Committee established pursuant to resolution 1718, at a time when the circumstances in the Democratic People's Republic of Korea had been different. It was therefore necessary to remove the project proposals from UNIDO's work programme.

103. Following the discussion, the Executive Committee decided to defer consideration of the request for preparation for HCFC phase-out investment activities (stage II) (refrigeration manufacturing sector) and the request for preparation of a HCFC phase-out management plan (stage II) for the Democratic People's Republic of Korea until it could be confirmed that such projects did not conflict with United Nations Security Council Resolution 2321 or any other resolutions that the Security Council might adopt on the matter.

**(Decision 79/31)**

**(d) Review of the overall structure of the Compliance Assistance Programme (decision 77/38(c))**

104. The Chair informed the Executive Committee that document UNEP/OzL.Pro/ExCom/79/24 had not been issued. UNEP had asked to submit the report along with the 2018 Compliance Assistance Programme work programme that was due at the 80<sup>th</sup> meeting. The Executive Committee took note of the information provided by the Chair.

**(e) Investment projects**

**Stage II of HPMPs**

Angola: HCFC phase-out management plan stage II - first tranche (UNDP)

105. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/26.

106. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Angola for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of the country's baseline, in the amount of US \$904,000, plus agency support costs of US \$63,280 for UNDP;

- (b) To deduct 9.18 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (c) To approve the Agreement between the Government of Angola and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, as contained in Annex XII to the present report; and
- (d) To approve the first tranche of stage II of the HPMP for Angola, and the corresponding tranche implementation plans, in the amount of US \$450,000, plus agency support costs of US \$31,500 for UNDP.

**(Decision 79/32)**

Argentina: HCFC phase-out management plan stage II - first tranche (UNIDO (Lead)/World Bank/Italy)

107. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/27.

108. Following informal discussions in an informal group to clarify the timing of and distribution of funds for the project, the Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Argentina for the period 2017 to 2022 to reduce HCFC consumption by 50 per cent of the baseline, in the amount of US \$10,652,125, consisting of US \$3,641,070, plus agency support costs of US \$254,875 for UNIDO, US \$6,050,168, plus agency support costs of US \$423,512 for the World Bank, and US \$250,000, plus agency support costs of US \$32,500 for the Government of Italy;
- (b) To note the commitment of the Government of Argentina:
  - (i) To reduce HCFC consumption by 50 per cent by 2022;
  - (ii) To ban, no later than 1 January 2022, the import and use of HCFC-141b, pure or contained in pre-blended polyols, for the manufacture of polyurethane foam;
  - (iii) To ban, no later than 1 January 2022, the import and use of HCFC-141b for flushing refrigeration circuits during servicing;
  - (iv) To ban, no later than 1 January 2022, the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam;
- (c) To deduct 115.19 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Argentina and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, as contained in Annex XIII to the present report; and

- (e) To approve the first tranche of stage II of the HPMP for Argentina, and the corresponding tranche implementation plans, in the amount of US \$1,944,500, consisting of US \$645,746, plus agency support costs of US \$45,202 for UNIDO, US \$907,525, plus agency support costs of US \$63,527 for the World Bank, and US \$250,000, plus agency support costs of US \$32,500 for the Government of Italy.

**(Decision 79/33)**

Egypt: HCFC phase-out management plan stage II - first tranche (UNIDO (Lead)/UNDP/UNEP/Germany)

109. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/32.

110. Following informal discussions in a small group regarding the staging of funding tranches and the particular circumstances in the country for activities in the domestic air-conditioning sector, the Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Egypt for the period from 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline, in the amount of US \$11,786,341 consisting of US \$5,996,841, plus agency support costs of US \$419,779 for UNIDO, US \$3,695,722, plus agency support costs of US \$258,701 for UNDP, US \$1,055,000, plus agency support costs of US \$126,050 for UNEP, and US \$207,300, plus agency support costs of US \$26,949 for the Government of Germany;
- (b) To note that the Government of Egypt had also committed to reducing HCFC consumption by 35 per cent by 2020;
- (c) To note the commitment of the Government of Egypt:
- (i) To ban the import of HCFC-141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38;
- (ii) To ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020;
- (iii) To ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023;
- (iv) To ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023;
- (d) To invite, on an exceptional basis, the Government of Egypt to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential;
- (e) To note that the Government of Egypt would have flexibility to allocate funding to eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation;
- (f) To deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40;

- (g) To approve the Agreement between the Government of Egypt and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, as contained in Annex XIV to the present report; and
- (h) To approve the first tranche of stage II of the HPMP for Egypt, and the corresponding tranche implementation plans, in the amount of US \$4,964,403, consisting of US \$3,356,641, plus agency support costs of US \$234,965 for UNIDO, US \$1,042,352, plus agency support costs of US \$72,965 for UNDP, and US \$230,000, plus agency support costs of US \$27,480 for UNEP.

**(Decision 79/34)**

### **Stage II of the HPMP for China**

China: HCFC phase-out management plan stage II – Draft Agreement between the Executive Committee and the Government of China (UNDP (Lead)/UNEP/UNIDO/World Bank/Germany/Italy/Japan)

111. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/30. He outlined the adjustments to the draft Agreement between the Government of China and the Executive Committee and indicated the issues that still required resolution, while noting that the draft Agreement did not specify agency support costs.

112. Several members expressed their support for the Secretariat's recommendation regarding the change to the submission deadline in the draft Agreement. One of those members noted, more generally, the importance of ensuring the timely availability of meeting documents and that the deadline for submission of documents to the Secretariat deserved reconsideration.

113. There was also support for consideration of the matter of agency support costs under agenda item 10, Report on the review of the administrative cost regime and its core unit funding budget. The Committee agreed to establish a contact group to further consider issues related to stage II of the HPMP for China, including the redistribution of funds to various sectors proposed by the Government of China, and agency support costs.

114. The convenor of the contact group, reporting back to the Executive Committee, said that agreement had been reached on all outstanding issues, including agency support costs of 6.5 per cent for UNDP, UNIDO and the World Bank. The representative of UNIDO, speaking on behalf of the three implementing agencies, said that the decision to place the agency support costs at 6.5 per cent had not involved any cost analysis, and the analysis by the Secretariat in document 79/43 had recommended retaining the support cost level used for the final tranches of stage I of the HPMP for China. The implementing agencies did not agree, therefore, with the change in overhead costs, but noted with appreciation the flexibility of the Executive Committee in agreeing to renewed discussion of the level of support costs at its 81<sup>st</sup> meeting.

115. The Executive Committee decided:

- (a) To approve the Agreement between the Government of China and the Executive Committee, contained in Annex XV to the present report, for the implementation of stage II of the HCFC phase-out management plan (HPMP), on the understanding that, if reductions in funding for failure to comply with the Agreement for 2018 were considered, the Executive Committee would take into account its deliberations on stage II of the HCFC production phase-out management plan for the country;

- (b) To set at 6.5 per cent the agency support costs for UNDP, UNIDO, and the World Bank for stage II of the HPMP for China, on the understanding that the agency support costs could be reconsidered at the 81<sup>st</sup> meeting;
- (c) To maintain the level of agency support costs for the bilateral agencies and UNEP currently in place under the administrative cost regime; and
- (d) To request all bilateral and implementing agencies to submit tranche requests associated with stage II of the HPMP for China 12 weeks in advance of the relevant Executive Committee meeting, irrespective of their level of funding.

**(Decision 79/35)**

### **Tranches requests of HPMPs**

#### Mauritius: HCFC phase-out management plan (third tranche) (Germany)

116. The Chair introduced document UNEP/OzL.Pro/ExCom/79/35 and recalled that the project related to the HPMP for Mauritius had been removed from the list of projects recommended for blanket approval under agenda item 9(a), Overview of issues identified during project review.

117. One member said that it would be advantageous to discuss the technology conversion demonstration project of one of the end-users in the commercial refrigeration sector, noting the linkage between the training of technicians and the sustainable implementation of conversions. The member also suggested that the commitment of the government should be reflected through co-financing.

118. Following further discussion in an informal group, the Executive Committee decided:

- (a) To note the progress report on the implementation of the second tranche of the HCFC phase-out management plan (HPMP) for Mauritius;
- (b) To approve the third tranche of the HPMP for Mauritius, and the corresponding 2017–2020 tranche implementation plan, in the amount of US \$332,750, plus agency support costs of US \$40,140 for the Government of Germany, on the understanding:
  - (i) That Mauritius had consumption in the service sector only and that training activities for servicing agencies would result in smoother and faster adoption of the identified technologies;
  - (ii) That the Government of Mauritius would provide co-financing for the approved demonstration and user-incentive programme for conversion to technologies with low global-warming potential, thereby demonstrating its strong commitment to supporting the adoption of such technologies; and
  - (iii) That, if Mauritius were to decide to proceed with retrofits to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, along with the associated servicing, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.

**(Decision 79/36)**

Togo: HCFC phase-out management plan (stage I, third tranche) (UNEP and UNIDO)

119. The Chair introduced document UNEP/OzL.Pro/ExCom/79/42 and recalled that the project related to the HPMP for Togo had been removed from the list of projects recommended for blanket approval under agenda item 9(a), Overview of issues identified during project review.

120. One member requested further information on a number of issues, including the type of technology applied, any co-financing under the incentives programme, the sustainability of the scheme beyond the initial funding, and how training and capacity-building would be enhanced through the scheme.

121. In response, the representative of UNIDO said that co-financing was expected from the end-users in the private sector, and no additional co-financing was envisaged from the government or other sources. A low-GWP technology would be selected for the commercial refrigeration sector, such as supermarkets and warehouses. The aim of the scheme was to collect proposals from interested beneficiaries accounting for around 20 per cent of the investment, depending on the incremental costs, to promote the phase-out of HCFC-22 through conversion to a low-GWP alternative. On the matter of sustainability, while the project did not include extension of the scheme, the training for technicians would build capacity and increase hands-on experience in the use of alternative technologies in the sector.

122. Following further discussion in an informal group, the Executive Committee decided:

- (a) To note the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for Togo;
- (b) To approve the third tranche of stage I of the HPMP for Togo, and the corresponding 2017–2019 tranche implementation plan, in the amount of US \$231,310, consisting of US \$62,000, plus agency support costs of US \$8,060 for UNEP, and US \$150,000, plus agency support costs of US \$11,250 for UNIDO, on the understanding:
  - (i) That Togo had consumption in the servicing sector only; and
  - (ii) That the financial incentive scheme would enhance the sustainability of the training of servicing technicians, and that end-users would provide co-financing to participate in the scheme.

**(Decision 79/37)**

**Individual investment project to phase out HCFCs**

Mexico: HCFC phase-out in extruded polystyrene (XPS) foam plank applications (UNDP)

123. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/36.

124. The Executive Committee decided:

- (a) To approve the reallocation of US \$1,293,558 from the savings expected from the polyurethane (PU) foam sector plan of stage I of the HCFC phase-out management plan (HPMP) for Mexico to the conversion of two extruded polystyrene (XPS) foam manufacturing enterprises from the use of HCFC-142b to HFO-1234ze;
- (b) To deduct 1.0 ODP tonne of HCFCs from the remaining HCFC consumption eligible for funding; and

- (c) To note:
- (i) That the remaining savings from the PU foam sector plan and any remaining funds from the XPS foam manufacturing project would be returned to the Fund by the time of completion of stage I of the HPMP in line with paragraph 7(e) of the Agreement between the Government of Mexico and the Executive Committee;
  - (ii) The commitment of the Government of Mexico not to issue any import quota for HCFC-142b starting on 1 January 2020, and to restrict any potential use of HCFC-22 in the manufacturing of XPS foam through its import and consumption quota system;
  - (iii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 1,208.0 ODP tonnes, calculated on the basis of the revised data on imports of HCFC-141b and HCFC-142b for the year 2008 submitted by the Government of Mexico under Article 7 of the Montreal Protocol; and
  - (iv) That the Fund Secretariat had updated the Agreements between the Government of Mexico and the Executive Committee for stages I and II of the HPMP for Mexico, as contained in Annexes XVI and XVII, respectively, to the present report, specifically the starting point for sustained aggregate reduction in HCFC consumption and the remaining eligible consumption in Appendix 1-A and Appendix 2-A, and paragraph 16, to indicate that the revised updated Agreements for stages I and II superseded those reached at the 73<sup>rd</sup> and 77<sup>th</sup> meetings, respectively.

**(Decision 79/38)**

### **Individual investment project to phase down HFCs**

Bangladesh: Demonstration for the conversion of domestic refrigerator manufacturing facility from HFC-134a to isobutane as a refrigerant and conversion of compressor manufacturing facility from HFC-134a-based compressors to isobutane-based compressors at Walton Hitech Industries Limited (“Walton”) (UNDP)

125. Following the discussions of the contact group established under agenda item 11(c)(i), Development of the cost guidelines for the phase-down of HFCs in Article 5 countries: draft criteria for funding (decision 78/3), the Executive Committee decided to defer to the 80<sup>th</sup> meeting consideration of the project for the demonstration of the conversion of domestic refrigerator manufacturing facility from HFC-134a to isobutane as a refrigerant and conversion of compressor manufacturing facility from HFC-134a-based compressors to isobutane-based compressors at Walton Hitech Industries Limited (“Walton”) in Bangladesh.

**(Decision 79/39)**

Colombia: Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Mabe (UNDP)

126. Following the discussions of the contact group established under agenda item 11(c)(i), Development of the cost guidelines for the phase-down of HFCs in Article 5 countries: draft criteria for funding (decision 78/3), the Executive Committee decided to defer to the 80<sup>th</sup> meeting consideration of

the project for the conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Mabe) in Colombia.

(Decision 79/40)

**AGENDA ITEM 10: REPORT ON THE REVIEW OF THE ADMINISTRATIVE COST REGIME AND ITS CORE UNIT FUNDING BUDGET (DECISION 75/69)**

127. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/43. In connection with the discussion on agency fees for stage II of the HPMP of China under agenda item 9(e), Investment projects, she drew particular attention to Table 2 and Table 4 of the document, which contained analyses of agency support costs for stage II of the HPMP and the HPPMP for China, respectively.

128. During the ensuing discussion, appreciation was expressed for the generally comprehensive nature of the analysis provided in the document. It was noted, however, that the document contained limited information on and analysis of the items mentioned in the terms of reference that related to the potential similarities between agency administrative costs and project management costs and the extent to which implementing agencies were passing on funds for the administration of projects to financial intermediaries, executing agencies or governments for execution at the national level; the Secretariat was asked to provide more information on those aspects in the future. The relatively new and growing role of project management units (PMUs) was also highlighted, with the suggestion that the Executive Committee would benefit from greater understanding of the costs and duties of the PMUs, particularly as they related to other institutions.

129. With respect to the use of the revised format for annual reporting on core unit funding, which provided for more detailed reporting, one member cautioned that a clear distinction between core unit costs and project support costs might not always be desirable; agencies typically drew from project support costs to finance costs traditionally defined as core unit costs, and should be allowed that flexibility, as long as they fulfilled their overall role and functions as implementing agencies.

130. During the discussion, one member stressed the importance of adequate funding for proper project implementation, noting that attempts to cut agency support costs could ultimately expose Article 5 countries to non-compliance.

131. The Executive Committee decided:

- (a) To note the report on the review of the administrative cost regime and its core unit funding budget (decision 75/69) contained in document UNEP/OzL.Pro/ExCom/79/43;
- (b) To note with appreciation the information provided by the implementing agencies through the questionnaire that had been developed to collect information on administrative costs;
- (c) To maintain the current administrative cost regime of the Multilateral Fund for the 2018–2020 triennium;
- (d) To request the Secretariat to continue monitoring use of the administrative cost regime and to report back to the Executive Committee, as relevant;
- (e) To request UNDP, UNIDO and the World Bank to present their annual reports on core unit funding using the revised format contained in Annex XVIII to the present report;

- (f) To request the Secretariat to prepare a document for the last meeting of 2018 describing the duties and costs associated with project management units and an analysis of:
  - (i) How those costs and duties related to: institutional strengthening; the Compliance Assistance Programme; project preparation funding; and support costs for project implementation and verification activities; and
  - (ii) The extent to which agencies passed on administrative duties to other institutions.

**(Decision 79/41)**

**AGENDA ITEM 11: MATTERS RELATED TO THE KIGALI AMENDMENT TO THE MONTREAL PROTOCOL**

**(a) Status of additional contributions to the Multilateral Fund (decision 78/1(c))**

132. The Treasurer introduced documents UNEP/OzL.Pro/ExCom/79/44 and Corr.1. The Executive Committee was informed that an additional contribution of 200,000 euros had also been received from the Government of Finland, and that the Government of Sweden had taken the formal decision to make an additional contribution amounting to 2,008,166.40 Swedish krona according to the FERM. A contribution from the Government of Switzerland was under preparation.

133. The Executive Committee decided:

- (a) To note the report by the Treasurer on the status of additional contributions to the Multilateral Fund (decision 78/1(c)) contained in documents UNEP/OzL.Pro/ExCom/79/44 and Corr.1, and as orally amended during the meeting;
- (b) Further to note with appreciation the six non-Article 5 countries that had made payments to provide fast-start support for the implementation of the HFC phase-down: Denmark, Finland, Ireland, Italy, Luxembourg and New Zealand; and
- (c) To request the Treasurer, at the 80<sup>th</sup> meeting, to report to the Executive Committee on the status of the additional contributions for fast-start support separately from other pledged contributions to the Multilateral Fund.

**(Decision 79/42)**

**(b) Overall analysis of the results of the surveys of ODS alternatives (decision 74/53)**

134. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/79/45 and Corr.1.

135. Noting that responses had been received for fewer than 50 per cent of the 127 surveys for which funding had been approved at previous meetings, one member expressed disappointment at such a low response level. Data gathering for HFCs was an essential step prior to ratification of the Kigali Amendment and the establishment of policies and measures to control HFCs, and the Committee had expressed particular interest in the matter. The strict submission deadline of 18 September 2017 was reiterated, along with the requirement to return unspent balances for any uncompleted surveys at the 81<sup>st</sup> meeting.

136. The Executive Committee decided:

- (a) To note the overall preliminary analysis of the results of the surveys of ODS alternatives (decision 74/53) contained in documents UNEP/OzL.Pro/ExCom/79/45 and Corr.1;
- (b) To urge bilateral and implementing agencies to work with relevant Article 5 countries to complete and submit all outstanding surveys on ODS alternatives no later than 18 September 2017, noting that unspent balances of surveys not submitted to the 80<sup>th</sup> meeting had to be returned to the 81<sup>st</sup> meeting in line with decision 78/2(c); and
- (c) To request the Secretariat to submit, to the 80<sup>th</sup> meeting, an overall analysis of the results of the surveys of ODS alternatives, updated to include all surveys submitted to the Secretariat by 18 September 2017.

**(Decision 79/43)**

**(c) Development of the cost guidelines for the phase-down of HFCs in Article 5 countries**

**(i) Draft criteria for funding (decision 78/3)**

137. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/46.

138. In the ensuing discussion, members indicated their interest in making progress on the draft criteria for funding, but generally agreed that the draft guidelines for enabling activities were more urgent and should be given priority at the current meeting.

139. Members highlighted the following elements to be taken into consideration in the discussion on the draft criteria for funding: HFCs in the context of both the production and the consumption sector; alternatives for the production sector, including not-in-kind alternatives; energy efficiency, in terms of incremental costs but also potential incremental savings, as well as the role of general standards such as the Building Research Establishment Environmental Assessment Method (BREAM) and Leadership in Energy and Environmental Design (LEED); flexibility for countries in the implementation of the Kigali Amendment; second and third conversions; and HFC phase-down funding and guidelines for the manufacturing sector.

140. During the discussion, it was noted that the recommendations included some aspects that would become part of the guidelines and others that were procedural, and that the procedural aspects could be considered and decided on separately from the discussion on the draft criteria for funding. Attention was also drawn to the importance of adhering closely to the mandate given by the Meeting of the Parties.

141. The Committee agreed to discuss the matter further in a contact group.

142. Following a report by the convenor of the contact group, the Executive Committee decided:

- (a) To note the development of the cost guidelines for the phase-down of HFCs in Article 5 countries: draft criteria for funding (decision 78/3) contained in document UNEP/OzL.Pro/ExCom/79/46;
- (b) To develop guidelines for funding the phase-down of HFC consumption and production for submission to the Thirtieth Meeting of the Parties in 2018, and to finalize the guidelines as soon as possible thereafter, taking into account the views and input provided by the Parties;

- (c) To agree that, in line with paragraph 11 of decision XXVIII/2 on overarching principles and timelines, the Chair of the Executive Committee would report in relation to the HFC phase-down:
  - (i) To the Twenty-Ninth Meeting of the Parties on the progress of the Executive Committee in developing cost guidelines for funding HFC phase-down; and
  - (ii) To future Meetings of the Parties on progress made, including on cases where Executive Committee deliberations had resulted in a change in a national strategy or a national technology choice submitted to the Executive Committee.

**(Decision 79/44)**

143. In relation to criteria for considering stand-alone investment projects pursuant to decision 78/3(g), the Executive Committee decided:

- (a) To reiterate decision 78/3(g) and to consider proposals for HFC-related stand-alone investment projects based on the following criteria:
  - (i) That the submitted projects would be considered on a case-by-case basis, should be in individual enterprises deciding to convert to mature technologies, should have broad replicability to the country or region or sector, and should take into account geographic distribution;
  - (ii) That projects must be fully implemented by no more than two years from the time of their approval, that the relevant project completion reports should be comprehensive with detailed information on the eligible incremental capital costs, incremental operating costs, any possible savings incurred during the conversion and relevant factors that facilitated implementation, and that any remaining funds would be returned to the Multilateral Fund no later than one year after the date of project completion as per the project proposals;
- (b) That potential projects should be included in the bilateral and implementing agencies' 2018 to 2020 business plans for submission at the 80<sup>th</sup> meeting or subsequent business plans, as appropriate;
- (c) To consider further stand-alone investment projects on a rolling basis after the first meeting in 2019; and
- (d) That any proposal submitted and approved for funding at the 80<sup>th</sup> meeting would be funded, to the extent possible, from additional voluntary contributions provided by non-Article 5 Parties, after giving priority to enabling activities.

**(Decision 79/45)**

- (ii) **Draft guidelines on enabling activities (decision 78/4(a))**

144. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/47.

145. During the ensuing discussion, there was general support for the sequence of activities proposed in the document for the implementation of enabling activities, with several members urging rapid action by the Committee to facilitate enabling activities.

146. Several members affirmed the need to prioritize activities that facilitated and supported the early ratification of the Kigali Amendment, as proposed by the Secretariat. There was also overall support for country-specific activities aimed at initiating the supporting institutional arrangements, the review of licensing systems, and data reporting on HFC consumption and production; one member, however, cautioned that countries should be allowed flexibility to prioritize such activities on the basis of their individual situations.

147. With respect to both the formulation of national plans for HFC phase-down, including capacity building for handling HFC alternatives, and investment and demonstration projects, different opinions were expressed. Two members said that demonstration projects should be prioritized, as they would provide clarity regarding the use of alternatives to HFCs and a basis for the development of national strategies. One member, however, felt that demonstration projects should be considered only once the initial enabling activities framework had been agreed, negotiations on cost guidelines had progressed and the Committee had reviewed the initial results of some of the recently approved demonstration projects. Another member questioned the characterization of investment and demonstration projects as enabling activities; while important, they could also be carried out by countries that had not proposed enabling activities, on the basis of the quality of a given project and its benefits for the Committee or the Parties themselves.

148. Individual members also mentioned other considerations in relation to enabling activities, including: that countries that had not yet received funding for an HFC survey should be able to access funding for a survey; that funding requests for enabling activities should be accompanied by a letter from the government concerned indicating its intent to ratify the Kigali Amendment; that part of the intended US \$27 million in fast-start contributions should be used to fund enabling activities for Article 5 group 1 countries in 2017, in line with decision 77/59; and that enabling activities should take into account the notion of sending signals to industry and eliciting industry interest in project preparation.

149. One member, recalling that the Treasurer had reported that only 10 per cent of the additional contributions for fast-start support had been received to date, suggested that the Committee should first determine how enabling activities would be funded.

150. The Committee agreed to discuss the matter further in a contact group.

151. The representative of the Secretariat provided a report on the outcome of the discussions in the contact group, following which brief informal consultations were held to resolve outstanding issues.

152. The Executive Committee decided:

- (a) To note the development of the cost guidelines for the phase-down of HFCs in Article 5 countries: draft guidelines on enabling activities (decision 78/4(a)) contained in document UNEP/OzL.Pro/ExCom/79/47;
- (b) To approve enabling activities for Article 5 Parties on the following basis:
  - (i) Countries would be allowed the flexibility to undertake a range of enabling activities to help their national ozone units to fulfil their initial obligations with regard to HFC phase-down in line with the Kigali Amendment;
  - (ii) Enabling activities could consist of, but were not limited to:
    - a. Activities to facilitate and support the early ratification of the Kigali Amendment;

- b. Initial activities identified in paragraph 20 of decision XXVIII/2, including country-specific activities aimed at initiating supporting institutional arrangements, the review of licensing systems, data reporting on HFC consumption and production, and demonstration of non-investment activities, and excluding institutional strengthening, as addressed in decision 78/4(b);
  - c. National strategies that contained the activities in sub-paragraphs a. and b. above;
- (iii) Funding for the preparation of national implementation plans to meet initial reduction obligations for the phase-down of HFCs could be provided, at the earliest, five years prior to those obligations, after a country had ratified the Kigali Amendment and on the basis of guidelines to be approved in the future;
  - (iv) Funding for stand-alone initial investment projects could be provided in accordance with the provisions of decision 79/45;
- (c) To provide funding for enabling activities referred to in paragraph (a)(ii) above prior to the preparation of the national implementation plan as specified in the table below, based on the country's HCFC baseline consumption, on the understanding that no further funding for enabling activities, including for HFC-23 activities, would be provided prior to the preparation of national implementation plans:

<b>HCFC baseline (ODP tonnes)</b>	<b>Maximum funding for enabling activities (US \$)</b>
Below 1	50,000
Between 1 and 6	95,000
Above 6 and up to 100	150,000
Above 100	250,000

- (d) That funding requests for enabling activities should meet the following requirements:
- (i) Ratification of the Kigali Amendment by the government submitting the request or a receipt of letter from the government concerned indicating its intent to make best efforts to ratify the Kigali Amendment as early as possible;
  - (ii) The inclusion of detailed descriptions, in project proposals, of each of the enabling activities that would be undertaken, including institutional arrangements, the cost breakdown and the schedule for implementation, consistent with Executive Committee guidelines;
  - (iii) The duration of a project should be no more than 18 months, starting from the time of its approval, and balances should be returned to the Multilateral Fund within 12 months of that end date;
  - (iv) Bilateral and implementing agencies should include any funding requests for enabling activities in their business plans, which could be submitted to the 80<sup>th</sup> or subsequent meetings, and subsequently in their work programmes or work programme amendments;

- (v) Any submission should also include a statement by both the country concerned and the relevant bilateral/implementing agency that implementation of the enabling activities would not delay implementation of HCFC phase-out projects; and
- (e) To invite bilateral and implementing agencies to submit, by the 80<sup>th</sup> meeting, funding requests for enabling activities for countries that wanted to take early action on HFCs, with any proposal considered for funding at that meeting to be funded to the extent possible from additional voluntary contributions provided by non-Article 5 Parties.

**(Decision 79/46)**

**(d) Key aspects related to HFC-23 by-product control technologies (decision 78/5)**

153. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/79/48, Corr.1, Corr. 2 and Add.1.

154. The Committee recognized that a number of challenges were faced when considering of HFC-23 by-product control technologies. The wide range of incremental operating costs reported by those countries that had provided data in response to decision 78/5(d) was noted, owing to differences in the type of facility, the methods of destruction used, the life span of the facility, and whether destruction was possible on site or not. Even in different companies within one country the costs could vary widely. As one member highlighted, for companies in developing countries, the unit costs of destruction or disposal could place a high burden on production companies, and funding was urgently required to assist with disposal and destruction activities. It was recognized that several countries had already made progress on the matter, and had put in place relevant policies and control measures. One member said that identifying and filling gaps where control measures were lacking was a priority. It was also noted that the destruction of HFC-23 could be considered to be part of the regular cost of doing business, in line with the information that had been provided by one government in response to decision 78/5(d). It was necessary to be cautious to ensure that the application of particular funding modalities did not create perverse incentives that encouraged an increase in by-product output in order to generate additional phase-down financing. The need for a flexible approach was stressed, given the range of different circumstances at national and industry level. On the matter of the criteria to be applied when developing cost guidelines, the importance of the cost-effectiveness of measures to deal with emissions of HFC-23 by-product was highlighted, as well as consideration of climate benefits.

155. Various issues related to the closure of HCFC-22 swing plants were discussed, including the provision of relevant funding support through the Executive Committee, and whether that should be approached from the viewpoint of compliance with control measures under the Kigali Amendment, or from the more specific viewpoint of cost-effectiveness. Other matters requiring further consideration included: the timing of HCFC-22 swing plant closures in relation to control obligations of 1 January 2020; the basis for compensation for plant closure; and the timeframe for compensation. One member said that there should be a disconnect between the request for preliminary information on HCFC-22 swing plant closure and any funding or compensation model that might be developed.

156. Regarding the way forward, it was suggested that the Sub-group on the Production Sector might be the most appropriate forum for further discussion, while it was also proposed that a more policy-related discussion would enable quicker decision-making. One member said that the issue merited a broader discussion than would be possible within the Sub-group on the Production Sector, at least initially.

157. The modalities for contracting an independent consultant to undertake a desk study on the cost of HFC-23 destruction and estimation of the necessary budget were discussed, including the scope of the

study, the related matter of when the study would be ready, and the cost. There was some suggestion that precise definition of the terms of reference for a desk study would be too time-consuming and could draw attention away from enabling activities, although some areas requiring investigation were identified, including control options for different types of plants. One member said that conversion technologies offered some interesting possibilities, and that pilot or demonstration projects focused on cost-effective solutions could shed more light on the options available.

158. The representative of the Secretariat responded to specific queries. Regarding possible sources of HFC-23 besides production of HCFC-22, he said that research on that matter was continuing. For the desk study, he said that development of the terms of reference depended on any further work that the Committee might wish to undertake. The scope of the desk study would determine the cost, complexity and timescale of the task. Again, on the matter of HCFC-22 swing plant closures and their funding, the Secretariat was in the hands of the Committee as to how to proceed.

159. The Executive Committee agreed to establish a contact group to further discuss issues related to HFC-23 emission control, including how best to proceed on the matter, the possible scope of further investigation, and the possible terms of reference of and issues to be covered by a future desk study.

160. Following the discussions of the contact group, the Executive Committee decided:

- (a) To note documents UNEP/OzL.Pro/ExCom/79/48, Corr.1, Corr.2 and Add.1 on key aspects related to HFC-23 by-product control technologies (decision 78/5);
- (b) To note with appreciation the information related to HFC-23 by-product provided by the Governments of Argentina, China, the Democratic People's Republic of Korea, Germany, India, Japan, Mexico, the Republic of Korea, the Russian Federation, the United Kingdom of Great Britain and Northern Ireland, and the United States of America; the European Union; the Secretariat of the United Nations Framework Convention on Climate Change; a fluorochemical producer; and an independent research and consulting organization;
- (c) To consider possible cost-effective options for compensation for HCFC-22 swing plants to allow for compliance with the HFC-23 by-product control obligations of the Kigali Amendment;
- (d) To request relevant governments of Article 5 countries wishing to close HCFC-22 production swing plants in their respective countries to submit the following preliminary data, for consideration by the Executive Committee at its 80<sup>th</sup> meeting:
  - (i) A list of HCFC-22 swing plants in the country:
    - a. Name;
    - b. Location;
    - c. HCFC-22 production capacity;
    - d. Schedule for closure;
    - e. Date of establishment;
    - f. Name of proprietors;
    - g. Ownership;



- (ii) An assessment of the costs of incineration at an off-site destruction facility, including collection, transportation and incineration, based on the quantity of HFC-23 to be destroyed, location, and other relevant factors;
  - (iii) An assessment of the cost of destroying emissions of HFC-23 by-product through irreversible transformation and other new technologies, where information was available, based on the quantity of HFC-23 to be destroyed, location, and other relevant factors;
  - (iv) An assessment of the costs and measures to optimize the HCFC-22 production process to minimize the HFC-23 by-product generation rate and maximize the collection of HFC-23 by-product for destruction based on characteristics of the facility, including capacity, quantity of HFC-23 by-product generated, the expected remaining lifetime, location, and other relevant factors;
  - (v) An assessment of the costs of different monitoring and verification methods;
  - (vi) An assessment of how the performance and costs of different destruction technology options would vary according to local conditions and the quantity of HFC-23 by-product to be destroyed;
- (f) To invite all relevant HCFC-22-producing Article 5 countries to provide to the Secretariat, on a voluntary basis, information on the elements described in paragraph (e) above by 30 September 2017; and
  - (g) To invite implementing agencies to submit to the 81<sup>st</sup> meeting proposals for feasible technology demonstration for HFC-23 by-product mitigation or conversion technologies with the potential for cost-effective, environmentally sustainable conversion of HFC-23.

**(Decision 79/47)****(e) Procedures for Article 5 countries that have HFC consumption baseline years from 2020 to 2022 in accessing additional voluntary contributions for enabling activities**

161. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/49.

162. The Committee referred the matter to the contact group on draft guidelines on enabling activities established under agenda item 11(c)(ii) above, for further consideration. The conclusions of those deliberations can be found under that agenda item.

**AGENDA ITEM 12: REPORT OF THE SUB-GROUP ON THE PRODUCTION SECTOR**

163. The facilitator of the Sub-group on the Production Sector introduced the report of the Sub-group (UNEP/OzL.Pro/ExCom/79/50) containing recommendations for consideration by the Executive Committee. She said that the Sub-group had met four times in the margins of the meeting and had addressed all of the items on its agenda. It had been agreed that the Sub-group would defer further consideration of the text in the HCFC production sector guidelines that remained in square brackets – paragraphs (e) and (k) – until the Executive Committee had completed its discussion of the issues related to HFC-23 by-product control. The Sub-group had also agreed to defer consideration of preliminary data and request UNIDO to carry out a technical audit of the HCFC production sector in the Democratic People's Republic of Korea until it could be confirmed that the project did not conflict with United Nations Security Council Resolution 2321 or any other resolutions that the Security Council might adopt related to the Democratic People's Republic of Korea.

164. She said that the Sub-group had spent most of its time discussing stage II of the HPPMP for China, which included: the treatment of idle capacity, the relationship between the controlled and feedstock use of ODS, the links that the Government of China had made between phase-out in the production and consumption sectors, the proposed technical assistance activities, the level of funding being proposed and the basis for that funding. The Sub-group had also discussed the different funding scenarios proposed by the Secretariat and their relation to that being proposed by the World Bank. It had not, however, been possible to discuss the proposed agreement and the draft implementation plan for the first tranche as they had been submitted too late for review by the Secretariat. The Sub-group had agreed to defer further consideration of stage II of the HPPMP to allow the World Bank, in consultation with the Government of China, to submit a revised proposal that took into account the deliberations of the Sub-group at the present meeting. The Sub-group had congratulated the Government of China for meeting the targets that had been set under stage I of the HPPMP and was enthusiastic about discussing the revised proposal for stage II of the HPPMP once it had been resubmitted to the Executive Committee.

HCFC production phase-out management plan (HPPMP) for China (stage II, first tranche)

165. The Executive Committee decided:

- (a) To note the submission of stage II of the HCFC production phase-out management plan (HPPMP) for China; and
- (b) To request the World Bank to resubmit stage II of the HPPMP for China to a later meeting.

**(Decision 79/48)**

Preliminary data and request to carry out the technical audit of the HCFC production sector in the Democratic People's Republic of Korea

166. The Executive Committee decided to postpone consideration of the submission of the preliminary data and request to carry out the technical audit of the HCFC production sector in the Democratic People's Republic of Korea until it could be confirmed that the project did not conflict with United Nations Security Council Resolution 2321 or any other resolutions the Security Council might adopt with respect to the Democratic People's Republic of Korea.

**(Decision 79/49)**

**AGENDA ITEM 13: OTHER MATTERS**

Dates and venues of the 81<sup>st</sup> and 82<sup>nd</sup> meetings of the Executive Committee

167. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/79/Inf.2 containing options for the dates and venues of the 81<sup>st</sup> and 82<sup>nd</sup> meetings of the Executive Committee. She recalled that the Committee had already agreed on the date of the 80<sup>th</sup> meeting, which would be held in Montreal, Canada, from 13 to 17 November 2017, back to back with the Twenty-Ninth Meeting of the Parties. She also recalled decision 77/60(b) whereby the Committee had agreed to convene two meetings from 2017 onwards, with the possibility of holding an additional brief meeting, as required, to consider project proposals or specific requests from the Parties. The document therefore proposed dates for both scenarios: one where there were two meetings in 2018 and another where there were three.

168. During the ensuing discussion, there was general agreement that the scenario of two meetings per year was preferable. It was also agreed that a meeting could be extended by one day, if required, for the purposes of consultations.

169. The Executive Committee decided:

- (a) To hold its 81<sup>st</sup> meeting in Montreal, Canada, from 18 to 22 June 2018; and
- (b) To hold the 82<sup>nd</sup> meeting in Montreal, Canada, from 3 to 7 December 2018.

**(Decision 79/50)**

**AGENDA ITEM 14: ADOPTION OF THE REPORT**

170. The Executive Committee adopted its report on the basis of the draft report contained in documents UNEP/OzL.Pro/ExCom/79/L.1 and Corr.1.

**AGENDA ITEM 15: CLOSURE OF THE MEETING**

171. Following the customary exchange of courtesies, the Chair declared the meeting closed at 6.45 p.m. on Friday, 7 July 2017.

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

**TABLE 1 : STATUS OF THE FUND FROM 1991-2017 (IN US DOLLARS)**

As at 30 June 2017

<b>INCOME</b>		
Contributions received:		
- Cash payments including note encashments		3,284,583,984
- Promissory notes held		13,897,741
- Bilateral cooperation		162,645,360
- Interest earned *		217,737,864
- Additional income from loans and other sources		0
- Miscellaneous income		20,986,608
<b>Total Income</b>		<b>3,699,851,557</b>
<b>ALLOCATIONS** AND PROVISIONS</b>		
- UNDP	853,493,390	
- UNEP	307,791,775	
- UNIDO	880,613,120	
- World Bank	1,247,057,824	
Unspecified projects	-	
Less Adjustments	-	
<b>Total allocations to implementing agencies</b>		<b>3,288,956,109</b>
Secretariat and Executive Committee costs (1991-2019)		
- includes provision for staff contracts into 2019		127,655,192
Treasury fees (2003-2019)		8,556,982
Monitoring and Evaluation costs (1999-2017)		3,529,461
Technical Audit costs (1998-2010)		1,699,806
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		162,645,360
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		30,059,675
<b>Total allocations and provisions</b>		<b>3,623,207,336</b>
<b>Cash</b>		<b>62,746,479</b>
<b>Promissory Notes:</b>		
	<b>2017</b>	5,238,717
	<b>2018</b>	8,659,025
	<b>Unscheduled</b>	0
		<b>13,897,742</b>
<b>BALANCE AVAILABLE FOR NEW ALLOCATIONS</b>		<b>76,644,221</b>

\* Includes interest amount US\$724,141 earned by FECO/MEP/(China).

\*\* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the implementing agencies. The Secretariat budget reflects actual costs as per the final 2015 accounts of the Fund and approved amounts for 2015 - 2019.

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

**TABLE 2 : 1991 - 2016 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME (US\$)**

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 30 June 2017

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	1991-2017
Pledged contributions	235,029,241	424,841,347	472,567,009	440,263,109	474,167,042	368,153,731	399,781,507	397,073,537	436,198,530	3,648,075,053
Cash payments/received	206,611,034	381,555,255	418,444,981	408,243,483	418,334,355	340,191,140	375,367,656	371,762,329	364,073,750	3,284,583,984
Bilateral assistance	4,366,255	11,909,814	21,358,066	21,302,696	47,349,203	18,831,433	13,897,606	12,481,397	11,148,890	162,645,360
Promissory notes	0	-	-	-	0	(0)	(1)	909,204	12,988,538	13,897,741
<b>Total payments</b>	<b>210,977,289</b>	<b>393,465,069</b>	<b>439,803,048</b>	<b>429,546,179</b>	<b>465,683,558</b>	<b>359,022,572</b>	<b>389,265,262</b>	<b>385,152,930</b>	<b>388,211,178</b>	<b>3,461,127,085</b>
Disputed contributions	0	8,098,267	0	0	0	32,471,642	405,792	3,477,910	1,301,470	45,755,081
Outstanding pledges	24,051,952	31,376,278	32,763,961	10,716,930	8,483,485	9,131,159	10,516,246	11,920,607	47,987,352	186,947,968
Payments %age to pledges	89.77%	92.61%	93.07%	97.57%	98.21%	97.52%	97.37%	97.00%	89.00%	94.88%
<b>Interest earned</b>	<b>5,323,644</b>	<b>28,525,733</b>	<b>44,685,516</b>	<b>53,946,601</b>	<b>19,374,449</b>	<b>43,537,814</b>	<b>10,544,631</b>	<b>6,615,053</b>	<b>5,184,423</b>	<b>217,737,864</b>
<b>Miscellaneous income</b>	<b>1,442,103</b>	<b>1,297,366</b>	<b>1,223,598</b>	<b>1,125,282</b>	<b>1,386,177</b>	<b>3,377,184</b>	<b>3,547,653</b>	<b>5,804,410</b>	<b>1,782,834</b>	<b>20,986,608</b>
<b>TOTAL INCOME</b>	<b>217,743,036</b>	<b>423,288,168</b>	<b>485,712,161</b>	<b>484,618,063</b>	<b>486,444,184</b>	<b>405,937,571</b>	<b>403,357,546</b>	<b>397,572,393</b>	<b>395,178,436</b>	<b>3,699,851,557</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>2012-2014</b>	<b>2015-2017</b>	<b>1991-2017</b>
Total pledges	235,029,241	424,841,347	472,567,009	440,263,109	474,167,042	368,153,731	399,781,507	397,073,537	436,198,530	3,648,075,053
Total payments	210,977,289	393,465,069	439,803,048	429,546,179	465,683,558	359,022,572	389,265,262	385,152,930	388,211,178	3,461,127,085
Payments %age to pledges	89.77%	92.61%	93.07%	97.57%	98.21%	97.52%	97.37%	97.00%	89.00%	94.88%
Total income	217,743,036	423,288,168	485,712,161	484,618,063	486,444,184	405,937,571	403,357,546	397,572,393	395,178,436	3,699,851,557
Total outstanding contributions	24,051,952	31,376,278	32,763,961	10,716,930	8,483,485	9,131,159	10,516,246	11,920,607	47,987,352	186,947,968
As % to total pledges	10.23%	7.39%	6.93%	2.43%	1.79%	2.48%	2.63%	3.00%	11.00%	5.12%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,051,952	31,376,278	32,763,961	9,811,798	7,511,984	5,940,206	6,211,155	5,000,737	1,115,572	123,783,644
CEITs' outstandings %age to pledges	10.23%	7.39%	6.93%	2.23%	1.58%	1.61%	1.55%	1.26%	0.26%	3.39%

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 : 1991-2017 Summary Status of Contributions (US\$)

As at 30 June 2017

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Andorra	118,987	102,819	0	0	16,168	0
Australia*	76,324,097	74,713,189	1,610,907	0	0	2,833,293
Austria	39,001,551	38,869,761	131,790	0	0	292,517
Azerbaijan	1,212,894	311,683	0	0	901,211	0
Belarus	3,411,487	213,174	0	0	3,198,313	0
Belgium	48,490,049	48,490,050	0	0	(0)	2,307,848
Bulgaria	1,728,811	1,728,811	0	0	0	0
Canada*	133,767,705	122,805,856	9,755,736	0	1,206,112	(494,729)
Croatia	928,655	928,655	0	0	(0)	158,056
Cyprus	1,077,529	1,077,529	0	0	0	55,419
Czech Republic	12,184,475	11,896,905	287,570	0	0	726,085
Denmark	32,214,562	32,053,509	161,053	0	0	213,394
Estonia	717,491	717,491	0	0	0	70,529
Finland	25,179,275	24,780,117	399,158	0	0	63,002
France	280,318,014	252,417,059	16,529,899	0	11,371,056	(5,631,033)
Germany	397,570,692	317,286,607	64,434,584	13,897,741	1,951,760	8,316,552
Greece	22,871,727	15,557,570	0	0	7,314,157	(1,340,447)
Holy See	11,166	11,166	0	0	0	0
Hungary	8,407,230	7,823,159	46,494	0	537,577	(76,259)
Iceland	1,485,567	1,430,017	0	0	55,550	51,218
Ireland	14,484,631	14,484,631	0	0	0	1,092,611
Israel	15,928,220	3,824,671	70,453	0	12,033,096	0
Italy	221,035,026	203,248,401	17,786,625	0	(0)	8,984,455
Japan	686,716,690	667,107,478	19,609,215	0	(3)	0
Kazakhstan	1,816,530	617,980	0	0	1,198,550	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	958,831	958,830	0	0	0	(2,483)
Liechtenstein	374,332	374,332	0	0	0	0
Lithuania	1,512,963	1,019,995	0	0	492,968	0
Luxembourg	3,437,318	3,437,318	0	0	0	15,647
Malta	364,540	332,205	0	0	32,335	15,485
Monaco	275,738	275,738	0	0	0	(572)
Netherlands	76,526,453	76,526,452	0	0	0	(0)
New Zealand	11,040,582	11,040,581	0	0	0	374,615
Norway	31,152,341	29,432,499	0	0	1,719,841	1,468,387
Panama	16,915	16,915	0	0	0	0
Poland	19,767,045	19,654,045	113,000	0	0	1,129,253
Portugal	18,402,025	11,191,959	47,935	0	7,162,132	198,162
Romania	2,713,469	2,256,731	0	0	456,738	0
Russian Federation	128,029,736	14,637,330	666,676	0	112,725,730	4,636,765
San Marino	45,231	39,168	0	0	6,063	2,503
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	4,177,902	3,815,795	16,523	0	345,585	160,096
Slovenia	2,537,276	2,537,276	0	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	118,480,950	107,216,630	5,255,992	0	6,008,328	3,470,827
Sweden	48,903,798	47,329,445	1,574,353	0	(0)	1,012,210
Switzerland	53,253,733	51,340,503	1,913,230	0	0	(1,620,902)
Tajikistan	134,899	49,086	0	0	85,813	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	10,261,859	1,303,750	0	0	8,958,109	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	255,194,381	254,629,381	565,000	0	(0)	1,577,170
United States of America	827,212,755	797,406,237	21,567,191	0	8,239,327	0
Uzbekistan	832,574	188,606	0	0	643,968	0
<b>SUB-TOTAL</b>	<b>3,648,075,053</b>	<b>3,284,583,984</b>	<b>162,645,360</b>	<b>13,897,741</b>	<b>186,947,968</b>	<b>30,059,675</b>
Disputed Contributions***	45,755,081	0	0	0	45,755,081	
<b>TOTAL</b>	<b>3,693,830,135</b>	<b>3,284,583,984</b>	<b>162,645,360</b>	<b>13,897,741</b>	<b>232,703,050</b>	

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.

(\*\*\*) Amount netted off from outstanding contributions and are shown here for records only.

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

TABLE 4 : Status of Contributions for 2015-2017 (US\$)

As at 30 June 2017

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	48,504	32,336	0	0	16,168
Australia	12,574,443	12,574,443	0	0	0
Austria	4,838,190	4,838,190	0	0	0
Azerbaijan	242,517	0	0	0	242,517
Belarus	339,522	113,174	0	0	226,348
Belgium	6,050,769	6,050,769	0	0	0
Bulgaria	284,955	284,955	0	0	0
Canada	18,091,677	16,885,565	0	0	1,206,112
Croatia	763,926	763,926	0	0	(0)
Cyprus	284,955	284,955	0	0	0
Czech Republic	2,340,276	2,340,276	0	0	0
Denmark	4,092,453	4,092,453	0	0	0
Estonia	242,517	242,517	0	0	0
Finland	3,146,643	3,146,643	0	0	0
France	33,909,768	22,010,894	527,818	0	11,371,056
Germany	43,295,127	21,647,563	6,648,144	12,988,538	2,010,882
Greece	3,868,128	0	0	0	3,868,128
Holy See	6,063	6,063	0	0	0
Hungary	1,612,731	1,075,154	0	0	537,577
Iceland	163,698	108,148	0	0	55,550
Ireland	2,534,289	2,534,289	0	0	0
Israel	2,400,906	0	0	0	2,400,906
Italy	26,967,753	25,159,803	1,807,950	0	0
Japan	65,679,333	65,359,260	320,073	0	0
Kazakhstan	733,611	0	0	0	733,611
Latvia	284,955	284,955	0	0	0
Liechtenstein	54,567	54,567	0	0	0
Lithuania	442,590	442,590	0	0	0
Luxembourg	491,094	491,094	0	0	0
Malta	97,005	64,670	0	0	32,335
Monaco	72,756	72,756	0	0	0
Netherlands	10,028,028	10,028,028	0	0	0
New Zealand	1,533,912	1,533,912	0	0	0
Norway	5,159,523	3,439,682	0	0	1,719,841
Poland	5,583,927	5,583,927	0	0	(0)
Portugal	2,873,811	0	0	0	2,873,811
Romania	1,370,214	913,476	0	0	456,738
Russian Federation	14,781,336	9,187,548	666,676	0	4,927,112
San Marino	18,189	12,126	0	0	6,063
Slovak Republic	1,036,755	691,170	0	0	345,585
Slovenia	606,288	606,288	0	0	0
Spain	18,024,984	10,838,427	1,178,229	0	6,008,328
Sweden	5,820,378	5,820,378	0	0	0
Switzerland	6,347,850	6,347,850	0	0	0
Tajikistan	18,189	0	0	0	18,189
Ukraine	600,227	0	0	0	600,227
United Kingdom	31,399,728	31,399,728	0	0	0
United States of America	94,948,529	86,709,201	0	0	8,239,328
Uzbekistan	90,942	0	0	0	90,942
<b>TOTAL</b>	<b>436,198,530</b>	<b>364,073,750</b>	<b>11,148,890</b>	<b>12,988,538</b>	<b>47,987,352</b>
Disputed Contributions(*)	1,301,470	0	0	0	1,301,470
<b>TOTAL</b>	<b>437,500,000</b>	<b>364,073,750</b>	<b>11,148,890</b>	<b>12,988,538</b>	<b>49,288,822</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

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

**TABLE 5 : Status of Contributions for 2017 (US\$)**

As at 30 June 2017

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168				16,168
Australia	4,191,481	4,191,481.00			0
Austria	1,612,730	1,612,730			0
Azerbaijan	80,839				80,839
Belarus	113,174				113,174
Belgium	2,016,923	2,016,923.00			0
Bulgaria	94,985	94,985.00			0
Canada	6,030,559	4,824,446.83			1,206,112
Croatia	254,642	254,642.00			0
Cyprus	94,985	94,985.00			0
Czech Republic	780,092	780,092			0
Denmark	1,364,151	1,364,151			0
Estonia	80,839	80,839			0
Finland	1,048,881	1,048,881			0
France	11,303,256				11,303,256
Germany	14,431,709	2,886,342	875,460	8,659,025	2,010,882
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577				537,577
Iceland	54,566				54,566
Ireland	844,763	844,763.00			0
Israel	800,302				800,302
Italy	8,989,251	8,989,251.00			0
Japan	21,893,111	21,893,110.85			0
Kazakhstan	244,537				244,537
Latvia	94,985	94,985.00			0
Liechtenstein	18,189	18,189.00			0
Lithuania	147,530	147,530.00			0
Luxembourg	163,698	163,698.00			0
Malta	32,335				32,335
Monaco	24,252	24,252.00			0
Netherlands	3,342,676	3,342,676.00			0
New Zealand	511,304	511,304.00			0
Norway	1,719,841				1,719,841
Poland	1,861,309	1,861,309.00			0
Portugal	957,937				957,937
Romania	456,738				456,738
Russian Federation	4,927,112				4,927,112
San Marino	6,063				6,063
Slovak Republic	345,585				345,585
Slovenia	202,096	202,096.00			0
Spain	6,008,328				6,008,328
Sweden	1,940,126	1,940,126.00			0
Switzerland	2,115,950	2,115,950.00			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576.00			0
United States of America	32,083,333	23,844,005.00			8,239,328
Uzbekistan	30,314				30,314
<b>TOTAL</b>	<b>145,833,333</b>	<b>95,712,339</b>	<b>875,460</b>	<b>8,659,025</b>	<b>40,586,509</b>

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

**TABLE 6 : Status of Contributions for 2016 (US\$)**

As at 30 June 2017

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481.00			0
Austria	1,612,730	1,612,730			0
Azerbaijan	80,839				80,839
Belarus	113,174	113,174			0
Belgium	2,016,923	2,016,923.00			0
Bulgaria	94,985	94,985.00			0
Canada	6,030,559	6,030,558.90			0
Croatia	254,642	254,642.00			0
Cyprus	94,985	94,985.00			0
Czech Republic	780,092	780,092			0
Denmark	1,364,151	1,364,151			0
Estonia	80,839	80,839			0
Finland	1,048,881	1,048,881			0
France	11,303,256	11,018,799	216,657		67,800
Germany	14,431,709	7,215,854	2,886,342	4,329,513	(0)
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577	537,577.00			0
Iceland	54,566	53,581.74			984
Ireland	844,763	844,763.00			0
Israel	800,302				800,302
Italy	8,989,251	7,463,801.00	1,525,450		0
Japan	21,893,111	21,753,838.00	139,273		0
Kazakhstan	244,537				244,537
Latvia	94,985	94,985.00			0
Liechtenstein	18,189	18,189.00			0
Lithuania	147,530	147,530.00			0
Luxembourg	163,698	163,698.00			0
Malta	32,335	32,335.00			0
Monaco	24,252	24,252.00			0
Netherlands	3,342,676	3,342,676.00			0
New Zealand	511,304	511,304.00			0
Norway	1,719,841	1,719,841.00			0
Poland	1,861,309	1,861,309.00			0
Portugal	957,937				957,937
Romania	456,738	456,738.00			0
Russian Federation	4,927,112	4,260,435.92	666,676		0
San Marino	6,063	6,063.00			0
Slovak Republic	345,585	345,585.00			0
Slovenia	202,096	202,096.00			0
Spain	6,008,328	4,830,099.00	1,178,229		0
Sweden	1,940,126	1,940,126.00			0
Switzerland	2,115,950	2,115,950.00			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576.00			0
United States of America	31,233,927	31,233,927.00			0
Uzbekistan	30,314				30,314
<b>TOTAL</b>	<b>144,983,927</b>	<b>130,363,560</b>	<b>6,612,627</b>	<b>4,329,513</b>	<b>3,678,228</b>
Disputed Contributions(*)	849,406				
<b>TOTAL</b>	<b>145,833,333</b>	<b>130,363,560</b>	<b>6,612,627</b>	<b>4,329,513</b>	<b>3,678,228</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 7 : Status of Contributions for 2015 (US\$)**  
As at 30 June 2017

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481.00			0
Austria	1,612,730	1,612,730.00			0
Azerbaijan	80,839				80,839
Belarus	113,174				113,174
Belgium	2,016,923	2,016,923.00			0
Bulgaria	94,985	94,985.00			0
Canada	6,030,559	6,030,558.90			0
Croatia	254,642	254,642.44			(0)
Cyprus	94,985	94,985.00			0
Czech Republic	780,092	780,092.00			0
Denmark	1,364,151	1,364,151.00			0
Estonia	80,839	80,839.00			0
Finland	1,048,881	1,048,881.00			0
France	11,303,256	10,992,095.00	311,161		0
Germany	14,431,709	11,545,367.09	2,886,342		(0)
Greece	1,289,376				1,289,376
Holy See	2,021	2,021.00			0
Hungary	537,577	537,577.00			0
Iceland	54,566	54,566.00			0
Ireland	844,763	844,763.00			0
Israel	800,302				800,302
Italy	8,989,251	8,706,750.99	282,500		0
Japan	21,893,111	21,712,311.00	180,800		0
Kazakhstan	244,537				244,537
Latvia	94,985	94,985.00			0
Liechtenstein	18,189	18,189.00			0
Lithuania	147,530	147,530.00			0
Luxembourg	163,698	163,698.00			0
Malta	32,335	32,335.00			0
Monaco	24,252	24,252.00			0
Netherlands	3,342,676	3,342,676.00			0
New Zealand	511,304	511,304.00			0
Norway	1,719,841	1,719,841.00			0
Poland	1,861,309	1,861,309.40			(0)
Portugal	957,937				957,937
Romania	456,738	456,738.00			0
Russian Federation	4,927,112	4,927,112.49			(0)
San Marino	6,063	6,063.00			0
Slovak Republic	345,585	345,585.18			(0)
Slovenia	202,096	202,096.00			0
Spain	6,008,328	6,008,328.00			0
Sweden	1,940,126	1,940,126.00			0
Switzerland	2,115,950	2,115,950.00			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576.00			0
United States of America	31,631,269	31,631,269.40			(0)
Uzbekistan	30,314				30,314
<b>TOTAL</b>	<b>145,381,269</b>	<b>137,997,851</b>	<b>3,660,803</b>		<b>3,722,616</b>
Disputed Contributions(*)	452,064				452,064
<b>TOTAL</b>	<b>145,833,333</b>	<b>137,997,851</b>	<b>3,660,803</b>		<b>4,174,680</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

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

TABLE 8 : Status of Contributions for 2012 - 2014 (US\$)

As at 30 June 2017

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	35,720	35,787	0	0	-67
Australia	9,863,697	9,863,697	0	0	0
Austria	4,342,476	4,342,476	0	0	0
Azerbaijan	76,542	0	0	0	76,542
Belarus	214,317	0	0	0	214,317
Belgium	5,485,501	5,485,501	0	0	0
Bulgaria	193,906	193,906	0	0	0
Canada	16,364,653	16,364,653	0	0	0
Croatia	164,729	164,729	0	0	0
Cyprus	234,728	234,728	0	0	0
Czech Republic	1,780,874	1,780,874	0	0	0
Denmark	3,755,655	3,755,655	0	0	0
Estonia	204,112	204,112	0	0	0
Finland	2,888,180	2,888,180	0	0	0
France	31,244,394	30,205,709	1,038,685	0	0
Germany	40,914,185	31,822,144	8,182,837	909,204	0
Greece	3,526,029	80,000	0	0	3,446,029
Holy See	5,103	5,103	0	0	0
Hungary	1,484,912	1,484,912	0	0	0
Iceland	214,317	214,317	0	0	0
Ireland	2,541,190	2,541,190	0	0	0
Israel	1,959,472	0	0	0	1,959,472
Italy	25,508,856	24,700,925	807,931	0	0
Japan	63,937,981	62,379,038	1,558,944	0	0
Kazakhstan	386,718	0	0	0	386,718
Latvia	193,906	193,906	0	0	0
Liechtenstein	45,925	45,925	0	0	0
Lithuania	331,681	331,680	0	0	1
Luxembourg	459,251	459,251	0	0	0
Malta	86,747	86,747	0	0	0
Monaco	15,308	15,308	0	0	0
Netherlands	9,465,679	9,465,679	0	0	0
New Zealand	1,393,062	1,393,062	0	0	0
Norway	4,444,532	4,444,532	0	0	0
Poland	4,225,112	4,225,112	0	0	0
Portugal	2,607,527	0	0	0	2,607,527
Romania	903,194	903,194	0	0	0
Russian Federation	8,174,672	5,449,782	0	0	2,724,891
San Marino	15,308	15,308	0	0	0
Slovak Republic	724,596	724,596	0	0	0
Slovenia	525,588	525,588	0	0	0
Spain	16,211,570	15,318,570	893,000	0	0
Sweden	5,429,370	5,429,370	0	0	0
Switzerland	5,766,155	5,766,155	0	0	0
Tajikistan	10,206	0	0	0	10,206
Ukraine	443,943	0	0	0	443,943
United Kingdom	33,698,837	33,698,837	0	0	0
United States of America	84,522,090	84,522,090	0	0	0
Uzbekistan	51,028	0	0	0	51,028
<b>TOTAL</b>	<b>397,073,537</b>	<b>371,762,329</b>	<b>12,481,397</b>	<b>909,204</b>	<b>11,920,607</b>
Disputed Contributions(*)	3,477,910				3,477,910
<b>TOTAL</b>	<b>400,551,447</b>	<b>371,762,329</b>	<b>12,481,397</b>	<b>909,204</b>	<b>15,398,517</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 9 : Status of Contributions for 2014 (US\$)**  
As at 30 June 2017

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	5,454,884			(0)
Croatia	164,729	164,729			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	9,755,199	659,599		(0)
Germany	13,638,062	4,546,021	2,688,494	909,204	5,494,343
Greece	1,175,343				1,175,343
Holy See	1,701	1,701			0
Hungary	494,971	494,971			0
Iceland	71,439	71,439			0
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	7,762,821	740,131		(0)
Japan	21,312,660	21,193,682	118,979		0
Kazakhstan	128,906				128,906
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560	110,560			0
Luxembourg	153,084	153,084			0
Malta	28,916	28,916			0
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			0
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			0
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	28,619,010	28,619,010			0
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>132,912,645</b>	<b>119,209,968</b>	<b>4,207,203</b>	<b>909,204</b>	<b>8,586,270</b>
Disputed Contributions(*)	714,323				714,323
<b>TOTAL</b>	<b>133,626,968</b>	<b>119,209,968</b>	<b>4,207,203</b>	<b>909,204</b>	<b>9,300,594</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

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

TABLE 10 : Status of Contributions for 2013 (US\$)

As at 30 June 2017

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	5,454,884			0
Croatia	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	10,324,398	90,400		0
Germany	13,638,062	13,638,062	2,766,731		(2,766,731)
Greece	1,175,343				1,175,343
Holy See	1,701	1,701			0
Hungary	494,971	494,971			0
Iceland	71,439	71,439			0
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	8,502,952			0
Japan	21,312,660	21,312,660			0
Kazakhstan	128,906				128,906
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560	110,560			0
Luxembourg	153,084	153,084			0
Malta	28,916	28,916			0
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			0
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			0
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	28,364,323	28,364,323			0
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>132,493,229</b>	<b>129,310,901</b>	<b>2,857,131</b>		<b>325,197</b>
Disputed Contributions(*)	969,010				969,010
<b>TOTAL</b>	<b>133,462,239</b>	<b>129,310,901</b>	<b>2,857,131</b>		<b>1,294,207</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

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

TABLE 11 : Status of Contributions for 2012 (US\$)

As at 30 June 2017

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
Croatia	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	288,686		0
Germany	13,638,062	13,638,062	2,727,612		(2,727,612)
Greece	1,175,343	80,000			1,095,343
Holy See	1,701	1,701			0
Hungary	494,971	494,971			0
Iceland	71,439	71,439			0
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	8,435,152	67,800		(0)
Japan	21,312,660	19,872,696	1,439,965		0
Kazakhstan	128,906				128,906
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560	110,560			0
Luxembourg	153,084	153,084			0
Malta	28,916	28,916			0
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	4,510,857	893,000		0
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	27,538,756			0
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>131,667,662</b>	<b>123,241,460</b>	<b>5,417,063</b>		<b>3,009,140</b>
Disputed Contributions(*)	1,794,577				1,794,577
<b>TOTAL</b>	<b>133,462,239</b>	<b>123,241,460</b>	<b>5,417,063</b>		<b>4,803,717</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 12 : Summary Status of Contributions for 2009-2011 (US\$)**  
As at 30 June 2017

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	29,546,764	1,052,517	0	(0)
Germany	41,652,124	33,321,699	8,330,424	(1)	2
Greece	2,894,330	2,894,330	0	0	(0)
Hungary	1,184,927	1,184,927	0	0	0
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	23,866,349	798,584	0	0
Japan	80,730,431	78,896,665	1,833,766	0	0
Kazakhstan	140,801	62,580	0	0	78,221
Latvia	87,413	87,413	0	0	0
Liechtenstein	48,563	48,563	0	0	0
Lithuania	150,544	150,544	0	0	0
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	87,594,208	0	0	(0)
Uzbekistan	38,850	0	0	0	38,850
<b>SUB-TOTAL</b>	<b>399,781,507</b>	<b>375,367,656</b>	<b>13,897,606</b>	<b>(1)</b>	<b>10,516,246</b>
Disputed Contributions(*)	405,792	0	0	0	405,792
<b>TOTAL</b>	<b>400,187,299</b>	<b>375,367,656</b>	<b>13,897,606</b>	<b>-1</b>	<b>10,922,038</b>

(\*) Additional amount on disputed contributions relating to the United States of America.

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

**TABLE 13 : Status of Contributions for 2011 (US\$)**

As at 30 June 2017

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	5,553,617	2,776,808	(1)	5,553,618
Greece	964,777	964,777			0
Hungary	394,976	394,976			0.00
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
Kazakhstan	46,934	62,580			0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181	50,181			0
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	29,333,333			0
Uzbekistan	12,950				12,950
<b>TOTAL</b>	<b>133,398,070</b>	<b>120,068,304</b>	<b>4,190,004</b>	<b>(1)</b>	<b>9,155,410</b>

**Table 14: Status of Promissory Notes as at 30 June 2017 (US\$)**

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	-	-	-	-	-	-	-	-	-
France	-	-	-	-	-	-	-	-	-
Germany	-	13,897,742	13,897,742	-	-	-	-	13,897,742	13,897,742
The Netherlands	-	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-	-
United States of America	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	-	<b>13,897,742</b>	<b>13,897,742</b>	-	-	-	-	<b>13,897,742</b>	<b>13,897,742</b>

Table 15: 2004-2017 Ledger of Promissory Notes as at 30 June 2017

Table 15: 2004-2017 Ledger of Promissory Notes as at 30 June 2017												
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)
	2004 - 2012	Canada		Can\$	37,801,368.39	31,377,892.52			37,822,572.11	2005 - 2012	34,479,816.33	3,101,923.81
	2004 - 2012	France		Euro	70,874,367.37	87,584,779.29			70,874,367.37	2006 - 2013	93,273,116.31	5,688,337.02
Dec.2013	2013	France		Euro	7,436,663.95	10,324,398.10		TREASURER	7,436,663.95	9/17/2015	8,384,678.22	1,939,719.88
	2014	France		Euro	7,026,669.91	9,755,199.00		TREASURER	7,026,669.91	9/17/2015	7,922,730.75	1,832,468.25
						20,079,597.10						
						-						
8/9/2004	2004	Germany	BU 104 1006 01	US\$	18,914,439.57	18,914,439.57						
							8/3/2005	TREASURER	6,304,813.19	8/3/2005	6,304,813.19	-
							8/11/2006	TREASURER	6,304,813.19	8/11/2006	6,304,813.19	-
							2/16/2007	TREASURER	3,152,406.60	2/16/2007	3,152,406.60	-
							8/10/2007	TREASURER	3,152,406.60	8/10/2007	3,152,406.60	-
									18,914,439.57		18,914,439.58	
7/8/2005	2005	Germany	BU 105 1003 01	US\$	7,565,775.83	7,565,775.83						
							4/18/2006	TREASURER	1,260,962.64	4/18/2006	1,260,962.64	-
							8/11/2006	TREASURER	1,260,962.64	8/11/2006	1,260,962.64	-
							2/16/2007	TREASURER	1,260,962.64	2/16/2007	1,260,962.64	-
							8/10/2007	TREASURER	1,260,962.64	8/10/2007	1,260,962.64	-
							2/12/2008	TREASURER	1,260,962.64	2/12/2008	1,260,962.64	-
							8/12/2008	TREASURER	1,260,962.63	8/12/2008	1,260,962.64	-
									7,565,775.83		7,565,775.83	
5/10/2006	2006	Germany	BU 106 1004 01	Euro	11,662,922.38	14,473,718.52						
					2,412,286.41	2,412,286.41	2/28/2007	TREASURER	1,943,820.40	2/28/2007	2,558,067.65	145,781.24
					2,412,286.41	2,412,286.41	8/10/2007	TREASURER	1,943,820.40	8/10/2007	2,681,305.85	269,019.44
					2,412,286.42	2,412,286.42	2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12
					2,412,286.42	2,412,286.42	8/12/2008	TREASURER	1,943,820.40	8/12/2008	2,930,114.87	517,828.45
					2,412,286.42	2,412,286.42	2/17/2009	TREASURER	1,943,820.40	2/17/2009	2,492,560.89	80,274.47
					2,412,286.44	2,412,286.44	8/12/2009	TREASURER	1,943,820.38	8/12/2009	2,760,613.72	348,327.28
									11,662,922.38		11,662,922.38	
7/23/2007	2007	Germany	BU 107 1006 01	Euro	11,662,922.38	14,473,718.52						
					2,412,286.42	2,412,286.42	2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12
					2,412,286.41	2,412,286.41	8/12/2008	TREASURER	1,943,820.39	8/12/2008	2,930,114.87	517,828.46
					2,412,286.42	2,412,286.42	2/17/2009	TREASURER	1,943,820.40	2/17/2009	2,492,560.89	80,274.47
					2,412,286.42	2,412,286.42	8/12/2009	TREASURER	1,943,820.38	8/12/2009	2,760,613.72	348,327.30
					2,412,286.42	2,412,286.42	2/11/2010	TREASURER	1,943,820.40	2/11/2010	3,179,312.65	767,026.23
					2,412,286.43	2,412,286.43	8/10/2010	TREASURER	1,943,820.41	8/10/2010	2,561,178.36	148,891.93
									11,662,922.38		11,662,922.38	
8/15/2008	2008	Germany	BU 108 1004 01	Euro	4,665,168.96	5,789,487.42						
					964,914.57	964,914.57	2/17/2009	TREASURER	777,528.16	2/17/2009	997,024.36	32,109.79
					964,914.57	964,914.57	8/12/2009	TREASURER	777,528.16	8/12/2009	1,104,245.49	139,330.92
					964,914.57	964,914.57	2/11/2010	TREASURER	777,528.16	2/11/2010	529,107.91	(435,806.66)
					964,914.57	964,914.57	8/10/2010	TREASURER	777,528.16	8/10/2010	1,024,470.50	59,555.93
					964,914.60	964,914.60	2/10/2011	TREASURER	777,528.16	2/10/2011	1,060,159.65	95,245.05
					964,914.54	964,914.54	6/20/2011	TREASURER	777,528.16	6/20/2011	1,095,381.67	130,467.13
									4,665,168.96		4,665,168.96	
12/18/2009	2009	Germany	BU 109 1007 01	Euro	9,121,815.12	13,884,041.00						
					2,314,006.88	2,314,006.88	2/11/2010	TREASURER	1,520,302.52	2/11/2010		
					2,314,006.88	2,314,006.88	8/10/2010	TREASURER	1,520,302.52	8/10/2010	2,003,150.60	(310,856.28)
					2,314,006.88	2,314,006.88	2/10/2011	TREASURER	1,520,302.52	2/10/2011	2,072,932.49	(241,074.39)
					2,314,006.88	2,314,006.88	6/20/2011	TREASURER	1,520,302.52	6/20/2011	2,141,802.19	(172,204.69)
					2,314,006.88	2,314,006.88	2/3/2012	TREASURER	1,520,302.52	2/3/2012	2,002,998.57	(311,008.31)
					2,314,006.60	2,314,006.60	8/8/2012	TREASURER	1,520,302.52	8/8/2012	1,881,982.56	(432,024.04)
									9,121,815.12		9,121,815.12	
4/14/2010	2010	Germany	BU 110 1002 01	Euro	9,121,815.12	13,884,041.00						
					2,314,006.88	2,314,006.88	2/10/2011	TREASURER	1,520,302.52	2/10/2011	2,072,932.48	(241,074.40)
					2,314,006.88	2,314,006.88	6/20/2011	TREASURER	1,520,302.52	6/20/2011	2,141,802.19	(172,204.69)
					2,314,006.88	2,314,006.88	2/3/2012	TREASURER	1,520,302.52	2/3/2012	2,002,998.57	(311,008.31)
					2,314,006.88	2,314,006.88	8/8/2012	TREASURER	1,520,302.52	8/8/2012	1,881,982.56	(432,024.32)
					2,314,006.88	2,314,006.88	2/12/2013	TREASURER	1,520,302.52	2/12/2013	2,037,357.39	(276,649.49)
					2,314,006.60	2,314,006.60	8/12/2013	TREASURER	1,520,302.52	8/12/2013	2,028,843.72	(285,162.88)
									9,121,815.12		9,121,815.12	
4/27/2011	2011	Germany	BU 111 1001 01	Euro	3,648,726.05	5,553,616.51						
					925,602.75	925,602.75	2/3/2012	TREASURER	608,121.01	2/3/2012	801,199.43	(124,403.32)
					925,602.75	925,602.75	8/8/2012	TREASURER	608,121.00	8/8/2012	752,792.86	(172,809.89)
					925,602.75	925,602.75	2/12/2013	TREASURER	608,121.01	2/12/2013	814,942.98	(110,659.77)
					925,602.75	925,602.75	8/12/2013	TREASURER	608,121.01	8/12/2013	811,537.48	(114,065.27)

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)
						925,602.75	2/11/2014	TREASURER	608,121.01	2/11/2014	824,186.40	(101,416.35)
						925,602.76	8/12/2014	TREASURER	608,121.00	8/12/2014	814,152.39	(111,450.37)
									<b>3,648,726.04</b>		<b>4,818,811.54</b>	
1/24/2013	2012	Germany	BU 113 1001 01	Euro	9,823,495.77	13,638,061.59						
						2,273,010.27	2/12/2013	TREASURER	1,637,249.30	2/12/2013	2,194,077.79	(78,932.48)
						2,273,010.26	8/12/2013	TREASURER	1,637,249.30	8/12/2013	2,184,909.18	(88,101.08)
						2,273,010.27	2/11/2014	TREASURER	1,637,249.30	2/11/2014	2,220,601.22	(52,409.05)
						2,273,010.27	8/12/2014	TREASURER	1,637,249.30	8/12/2014	2,191,949.36	(81,060.92)
						909,204.10	2/10/2015	TREASURER	654,899.72	2/10/2015	749,663.71	(159,540.39)
						3,636,816.42	8/5/2015	TREASURER	2,619,598.87	8/5/2015	2,868,722.72	(768,093.70)
						-	<b>BALANCE</b>	<b>TREASURER</b>				
3/25/2013	2013	Germany	BU 113 1004 01	Euro	9,823,495.77	<b>13,638,061.59</b>			<b>0.7203</b>			
						2,273,010.27	2/11/2014	TREASURER	1,637,249.30	2/11/2014	2,220,601.22	(52,409.05)
						2,273,010.27	8/12/2014	TREASURER	1,637,249.30	8/12/2014	2,191,949.36	(81,060.92)
						2,273,010.27	8/12/2014	TREASURER	1,637,249.30	8/12/2014	2,191,949.36	(81,060.92)
						2,273,010.27	2/10/2015	TREASURER	1,637,249.30	2/10/2015	1,874,159.27	(398,851.00)
						2,273,010.24	8/12/2015	TREASURER	1,637,249.30	8/12/2015	1,874,159.27	(398,850.97)
						2,273,010.27	2/10/2016	TREASURER	1,637,249.30	2/10/2016	1,874,159.27	(398,851.00)
						-	<b>BALANCE</b>	<b>TREASURER</b>				
						-						
10/2/2014	2014	Germany	BU 114 1003 01	Euro	3,929,398.32	<b>5,455,224.66</b>						
						1,818,408.22	8/5/2015	TREASURER	1,309,799.44	8/5/2015	1,434,361.37	(384,046.85)
						909,204.11	2/10/2016	TREASURER	654,899.72	2/10/2016	727,004.18	(182,199.93)
						909,204.11	8/10/2016	TREASURER	654,899.73	8/10/2016	726,087.33	(183,116.78)
						909,204.11	2/10/2017	TREASURER	654,893.73	2/10/2017	698,450.55	(210,753.56)
						<b>909,204.11</b>	<b>BALANCE</b>	<b>TREASURER</b>				
1/19/2015	2015	Germany	BU 115 1001 01	Euro	8,424,308.00	<b>11,545,367.08</b>						
						4,329,512.66	2/10/2015	TREASURER	3,159,115.50	2/10/2015	3,616,239.51	(713,273.15)
						4,329,512.66	8/5/2015	TREASURER	3,159,115.50	8/5/2015	3,459,547.38	(869,965.28)
						2,886,341.77	2/10/2016	TREASURER	2,106,077.00	2/10/2016	2,337,956.08	(548,385.69)
						<b>0.00</b>	<b>BALANCE</b>	<b>TREASURER</b>				
1/12/2016	2016	Germany	BU 116 1000 01	Euro	8,424,308.00	<b>11,545,367.08</b>						
						1,443,170.89	2/10/2016	TREASURER				
						4,329,512.66	8/10/2016	TREASURER	3,159,115.50	8/10/2016	3,502,511.35	(827,001.31)
						1,443,170.89	2/10/2017	TREASURER	1,053,038.50	2/10/2017	1,123,065.56	(320,105.33)
						<b>4,329,512.64</b>	<b>BALANCE</b>	<b>TREASURER</b>	1,053,038.50	2/10/2016	1,168,978.04	(3,160,534.60)
1/13/2017	2017	Germany	BU 117 1000 01	Euro	8,424,308.00	<b>11,545,367.08</b>						
						2,886,341.77	2/10/2017	TREASURER	2,106,077.00	2/10/2017	2,246,131.12	(640,210.65)
						<b>8,659,025.31</b>						
12/8/2003	2004	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	11/17/2004	TREASURER	3,364,061.32	11/17/2004	3,364,061.32	-
12/8/2003	2005	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	12/5/2005	TREASURER	3,364,061.32	12/5/2005	3,364,061.32	-
5/18/2004	2004	UK		GBP	7,243,564.08	10,718,502.63						
						1,786,417.11	8/23/2005	TREASURER	1,207,260.68	8/23/2005	2,166,550.02	380,132.91
						5,359,251.32	Feb. 2006	TREASURER	3,621,782.04	Feb. 2006	6,303,711.64	944,460.32
						3,572,834.20	7/24/2006	TREASURER	3,621,782.04	7/24/2006	4,473,383.73	900,549.53
									<b>7,243,564.08</b>		<b>12,943,645.39</b>	2,225,142.76
6/1/2005	2005	UK		GBP	7,243,564.08	10,718,502.63						
						1,786,417.11	7/24/2006	TREASURER	1,207,260.68	7/24/2006	2,236,691.86	450,274.75
						4,681,386.55	8/9/2006	TREASURER	3,163,681.03	8/9/2006	6,036,303.40	1,354,916.85
						4,250,698.97	8/16/2006	TREASURER	2,872,622.37	8/16/2006	5,429,236.28	1,178,537.31
									<b>7,243,564.08</b>		<b>13,702,231.54</b>	2,983,728.91
5/13/2005	2004	USA		US\$	4,920,000.00	4,920,000.00	10/27/2005	TREASURER	2,000,000.00	10/27/2005	2,000,000.00	-
							11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-
							10/25/2007	TREASURER	920,000.00	10/25/2007	920,000.00	-
									<b>4,920,000.00</b>		<b>4,920,000.00</b>	
3/1/2006	2005	USA		US\$	3,159,700.00	3,159,700.00	11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-
							10/25/2007	TREASURER	1,159,700.00	10/25/2007	1,159,700.00	-
									<b>3,159,700.00</b>		<b>3,159,700.00</b>	

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)
4/25/2007	2006	USA		US\$	7,315,000.00	7,315,000.00	10/25/2007	TREASURER	2,500,000.00	10/25/2007	2,500,000.00	-
							11/19/2008	TREASURER	2,500,000.00	11/19/2008	2,500,000.00	-
							5/11/2009	TREASURER	2,315,000.00	5/11/2009	2,315,000.00	-
									<b>7,315,000.00</b>		<b>7,315,000.00</b>	
2/21/2008	2008	USA		US\$	4,683,000.00	4,683,000.00	11/19/2008	TREASURER	2,341,500.00	11/19/2008	2,341,500.00	-
							5/11/2009	TREASURER	2,341,500.00	5/11/2009	2,341,500.00	-
									<b>4,683,000.00</b>		<b>4,683,000.00</b>	
4/21/2009	2009	USA		US\$	5,697,000.00	5,697,000.00						
							5/11/2009	TREASURER	1,900,000.00	5/11/2009	1,900,000.00	-
							11/4/2010	TREASURER	1,900,000.00	11/4/2010	1,900,000.00	-
							11/3/2011	TREASURER	1,897,000.00	11/3/2011	1,897,000.00	-

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

**TABLE 16: OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT 30 June 2017  
(IN US\$)**

	<b>Due in 2017</b>	<b>Due in 2018</b>	<b>Unscheduled</b>	<b>TOTAL</b>
<b><u>GERMANY:</u></b>				
2014	909,204			909,204
2016	1,443,171	2,886,342		4,329,513
2017	2,886,342	5,772,684		8,659,025
	<b>5,238,717</b>	<b>8,659,025</b>	<b>0</b>	<b>13,897,742</b>

**NOTE:**

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

**LIST OF COUNTRIES WHICH HAVE EITHER CONFIRMED TO THE TREASURER  
IN WRITING THAT THEY WOULD BE USING  
THE FIXED-EXCHANGE-RATE MECHANISM DURING  
THE 2015 – 2017 REPLENISHMENT PERIOD OR PAID IN NATIONAL CURRENCIES  
WITHOUT FORMALLY WRITING TO THE TREASURER  
(AS AT 31 December 2016)**

1. Australia
  2. Austria
  3. Belgium
  4. Canada
  5. Croatia
  6. Cyprus
  7. Czech Republic
  8. Denmark
  9. Estonia
  10. Finland
  11. France
  12. Germany
  13. Ireland
  14. Italy
  15. Luxemburg
  16. Malta
  17. New Zealand
  18. Norway
  19. Poland
  20. Russian Federation
  21. San Marino
  22. Slovak Republic
  23. Spain
  24. Sweden
  25. Switzerland
  26. United Kingdom of Great Britain and Northern Ireland
-

**Annex II**

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES  
IN THE PROGRESS REPORT FOR BILATERAL AGENCIES**

<b>Country</b>	<b>Agency</b>	<b>Project title/project code</b>	<b>Actions</b>
Lao People's Democratic Republic (the)	France	HCFC phase-out management plan (stage I, second tranche) (LAO/PHA/74/INV/28)	To request a status report to the 80 <sup>th</sup> meeting to monitor the low disbursement rate of approved funds.
Tunisia	France	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector) (TUN/PHA/72/INV/60)	To approve the revised completion date of May 2018, and to request a status report to the 80 <sup>th</sup> meeting to monitor the low disbursement rate of approved funds.
Algeria	France	Pilot demonstration project on ODS waste management and disposal (ALG/DES/72/DEM/78)	To cancel the project and to request the return of fund balances no later than June 2018.
Mexico	France	Demonstration project for disposal of unwanted ODS (MEX/DES/63/DEM/155)	To reiterate decision 77/8(e)(i) and to request France, with the assistance of UNIDO, to submit to the 80 <sup>th</sup> meeting a detailed report on the project as projects with specific requirements.
Region: Africa	France	Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan) (AFR/REF/48/DEM/36)	To approve the revised completion date of December 2017 as the final date of completion; and to request France to submit a PCR no later than June 2018 and to return funds balances no later than December 2018; and to reiterate decision 77/8(e)(ii), and to request France to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements.
Region: Africa	France	Strategy for disposal and destruction of ODS for five low-volume-consuming Central African countries (Burundi, Cameroon, Central African Republic, Congo and Guinea) (AFR/DES/68/TAS/41)	To request France to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
Jordan	Germany	Complete phase-out of the use of methyl bromide in Jordan (JOR/FUM/29/INV/54)	To request Germany to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
Region: Africa	Japan	Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan) (AFR/REF/48/DEM/35)	To approve the revised completion date of December 2017 as the final date of completion; and to request France to submit a PCR no later than June 2018 and to return funds balances no later than December 2018; and to reiterate decision 77/8(e)(ii), and to request Japan to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements.
Libya	Spain	Phase-out of methyl bromide in horticulture: tomatoes, cucumbers, peppers and others (second tranche) (LIB/FUM/56/INV/30)	To request UNIDO, through Spain, to complete the project by December 2017; and to submit a PCR no later than June 2018 and to return funds balances no later than December 2018.

**Annex III**

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES  
IN THE PROGRESS REPORT FOR UNDP**

<b>Country</b>	<b>Project title/project code</b>	<b>Actions</b>
<b>CFC projects</b>		
Pakistan	Plan for phase-out of CFCs in the manufacture of pharmaceutical MDIs (PAK/ARS/56/INV/71)	To request UNDP to report to the 80 <sup>th</sup> meeting on this project with implementation delays. To approve the revised completion date of June 2017 as the final date of completion; and to request UNDP to submit a project completion report (PCR) by December 2017 and to return funds balances no later than June 2018.
<b>Refrigerant management plans</b>		
Maldives	Implementation of the RMP: Awareness and incentive programme (MDV/REF/38/TAS/05)	To reiterate decision 77/10(b), and to request UNDP to report this project as completed and to return funds balances no later than January 2018.
<b>ODS alternative surveys</b>		
Cuba, Islamic Republic of Iran, Peru		To request UNDP to submit the surveys on ODS alternatives to the 80 <sup>th</sup> meeting in accordance with decisions 74/53(h) and 78/2(c).
India	Survey of ODS alternatives at the national level (IND/SEV/74/TAS/461)	To approve cancellation of the project, and to request UNDP to return fund balances no later than June 2018.
<b>Renewal of institutional strengthening projects</b>		
Cuba	Phase X: 1/2016-12/2017 (CUB/SEV/75/INS/54)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the Agreement.
<b>Tranches of HCFC phase-out management plans</b>		
Barbados	HCFC phase-out management plan (stage I, first tranche) (BAR/PHA/69/INV/21)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Bangladesh	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector) (BGD/PHA/65/INV/40)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Brazil	HCFC phase-out management plan (stage I, fourth tranche) (foam sector plan) (BRA/PHA/74/INV/307)	To request UNDP to provide a detailed report as projects with specific reporting requirements to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Brazil	HCFC phase-out management plan (stage II, first tranche) (foam sector) (BRA/PHA/75/INV/312)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Brazil	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing, regulatory actions and project monitoring) (BRA/PHA/75/TAS/313)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Brazil	HCFC phase-out management plan (stage I, fifth tranche) (foam sector) (BRA/PHA/75/INV/315)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Colombia	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector) (COL/PHA/75/INV/96)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Colombia	HCFC phase-out management plan (stage II, first tranche) (project management, monitoring and coordination) (COL/PHA/75/TAS/91)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.

Country	Project title/project code	Actions
Colombia	HCFC phase-out management plan (stage II, first tranche) (technical assistance in policies formulation and implementation) (COL/PHA/75/TAS/92)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Colombia	HCFC phase-out management plan (stage II, first tranche) (technical assistance for fire protection sector) (COL/PHA/75/TAS/94)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Guyana	HCFC phase-out management plan (stage II, first tranche) (GUY/PHA/75/INV/28)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Indonesia	HCFC phase-out management plan (project management and coordination) (stage I, second tranche) (IDS/PHA/71/TAS/200)	To reiterate decision 76/47(d), and to request UNDP to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements.
India	HCFC phase-out management plan (stage I, third tranche) (polyurethane foam sector plan and project monitoring) (IND/PHA/75/INV/464)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Lebanon	HCFC phase-out management plan (stage II, first tranche) (air conditioning sector) (LEB/PHA/75/INV/86)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Lebanon	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector) (LEB/PHA/75/INV/87)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Lebanon	HCFC phase-out management plan (stage II, first tranche) (project management and coordination) (LEB/PHA/75/TAS/88)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Malaysia	HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing, management and coordination) (MAL/PHA/75/TAS/179)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Nepal	HCFC phase-out management plan (stage I, first tranche) (NEP/PHA/66/INV/30)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds noting that this project was approved twelve meetings ago.
Nepal	HCFC phase-out management plan (stage I, second tranche) (NEP/PHA/75/INV/35)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds and the signing of the Agreement.
Nigeria	HCFC phase-out management plan (stage I, fifth tranche) (foam sector and refrigeration servicing) (NIR/PHA/75/INV/143)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.
Saint Kitts and Nevis	HCFC phase-out management plan (stage I, first tranche) (STK/PHA/64/TAS/16)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds and establishment of the list and specifications of the equipment noting that this project was approved 14 meetings ago.
Trinidad and Tobago	HCFC phase-out management plan (stage I, third tranche) (TRI/PHA/75/INV/33)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds.

**Annex IV**

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES  
IN THE PROGRESS REPORT FOR UNITED NATIONS ENVIRONMENT PROGRAMME  
(UNEP)**

<b>Country</b>	<b>Project title/project code</b>	<b>Actions</b>
<b>Methyl bromide projects</b>		
Trinidad and Tobago	Technical assistance to phase out the use of methyl bromide (TRI/FUM/65/TAS/28)	To request UNEP to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
<b>ODS alternative surveys</b>		
Afghanistan, Algeria, Antigua and Barbuda, Bahrain, Barbados, Burundi, Benin, Bahamas (the), Burkina Faso, Brunei Darussalam, Belize, Cabo Verde, Chad, Cook Islands (the), Comoros (the), Djibouti, Democratic Republic of the Congo (the), Democratic People's Republic of Korea (the), Equatorial Guinea, Fiji, Micronesia, Gabon, Guinea-Bissau, Grenada, Guinea, Guyana, Iraq, Cote d'Ivoire, Jamaica, Kiribati, Kuwait, Lao People's Democratic Republic (the), Madagascar, Marshall Islands (the), Maldives, Mali, Mongolia, Mozambique, Myanmar, Nauru, Nepal, Niue, Pakistan, Rwanda, Samoa, Saudi Arabia, Senegal, Sierra Leone, Solomon Islands, Sri Lanka, Saint Lucia, Sao Tome and Principe, Suriname, Turkmenistan, Timor-Leste, Togo, Tonga, Trinidad and Tobago, Palau, Tuvalu and Vanuatu.		To request UNEP to submit the surveys on ODS alternatives to the 80 <sup>th</sup> meeting in accordance with decisions 74/53(h) and 78/2(c).
<b>Renewal of institutional strengthening projects</b>		
Myanmar	Phase IV: 1/2014-12/2015 (MYA/SEV/71/INS/15)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the Agreement.
Nauru	Phase V: 8/2014-7/2016 (NAU/SEV/72/INS/09)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the Agreement.
<b>Tranches of HCFC phase-out management plans</b>		
Albania	HCFC phase-out management plan (stage I, third tranche) (ALB/PHA/75/TAS/31)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Antigua and Barbuda	HCFC phase-out management plan (stage I, first tranche) (ANT/PHA/66/TAS/14)	To request a status report to the 80 <sup>th</sup> meeting to monitor implementation progress of this project approved over twelve meetings ago.
Barbados	HCFC phase-out management plan (stage I, first tranche) (BAR/PHA/69/TAS/22)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over nine meetings ago.
Central African Republic (the)	HCFC phase-out management plan (stage I, first tranche) (CAF/PHA/64/TAS/22)	To request a status report to the 80 <sup>th</sup> meeting to monitor the resumption of the activities in the country.
Comoros (the)	HCFC phase-out management plan (stage I, second tranche) (COL/PHA/70/TAS/21)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over eight meetings ago.
Cote d'Ivoire	HCFC phase-out management plan (stage I, first tranche) (IVC/PHA/66/TAS/37)	To request a status report to the 80 <sup>th</sup> meeting to monitor implementation progress of this project approved over twelve meetings ago.
Cote d'Ivoire	HCFC phase-out management plan (stage I, second tranche) (IVC/PHA/75/TAS/41)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.

Country	Project title/project code	Actions
Democratic Republic of the Congo (the)	HCFC phase-out management plan (stage I, second tranche) (DRC/PHA/70/TAS/38)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over eight meetings ago.
Dominican Republic (the)	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) (DOM/PHA/69/TAS/52)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
El Salvador	HCFC phase-out management plan (stage I, first tranche) (ELS/PHA/65/TAS/28)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the Agreement and the low disbursement rate of approved funds.
El Salvador	HCFC phase-out management plan (stage I, second tranche) (ELS/PHA/74/TAS/32)	
Equatorial Guinea	HCFC phase-out management plan (stage I, second tranche) (EQG/PHA/74/TAS/08)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Fiji	HCFC phase-out management plan (stage I, second tranche) (FIJ/PHA/73/TAS/28)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Gambia (the)	HCFC phase-out management plan (stage I, second tranche) (GAM/PHA/71/TAS/28)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over seven meetings ago.
Guatemala	HCFC phase-out management plan (stage I, first tranche) (GUA/PHA/64/TAS/42)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over fourteen meetings ago.
Guatemala	HCFC phase-out management plan (stage I, third tranche) (GUA/PHA/75/TAS/50)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Guinea	HCFC phase-out management plan (stage I, second tranche) (GUI/PHA/72/TAS/29)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over six meetings ago.
Guyana	HCFC phase-out management plan (stage I, second tranche) (GUY/PHA/74/TAS/24)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Haiti	HCFC phase-out management plan (stage I, first tranche) (HAI/PHA/68/TAS/18)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the new Agreement and implementation progress of this project approved over ten meetings ago.
Honduras	HCFC phase-out management plan (stage I, second tranche) (HON/PHA/70/TAS/38)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over eight meetings ago.
India	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector and enabling activities) (IND/PHA/71/TAS/450)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over seven meetings ago.
India	HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector and enabling activities) (IND/PHA/75/TAS/466)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Iraq	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector) (IRQ/PHA/65/TAS/17)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over thirteen meetings ago.

Country	Project title/project code	Actions
Iraq	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) (IRQ/PHA/74/TAS/22)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the agreement and the low disbursement rate of approved funds.
Kuwait	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector and monitoring and verification) (KUW/PHA/66/TAS/19)	To request a status report to the 80 <sup>th</sup> meeting to monitor the implementation progress and low disbursement rate noting that this project was approved over twelve meeting ago.
Kuwait	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector and monitoring and verification) (KUW/PHA/74/TAS/23)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement rate of approved funds and signing of agreement.
Lao People's Democratic Republic (the)	HCFC phase-out management plan (stage I, second tranche) (LAO/PHA/74/TAS/27)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Malawi	HCFC phase-out management plan (stage I, second tranche) (MLW/PHA/70/TAS/34)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over eight meetings ago.
Maldives	HCFC phase-out management plan (stage I, third tranche) (MDV/PHA/75/TAS/29)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Mali	HCFC phase-out management plan (stage I, second tranche) (MLI/PHA/71/TAS/33)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over seven meetings ago.
Marshall Islands	HCFC phase-out management plan for PIC countries through regional approach (stage I, second tranche, Marshall Islands) (MAS/PHA/74/TAS/11)	To request a status report to the 80 <sup>th</sup> meeting to monitor the implementation progress and low disbursement rate of approved funds.
Mozambique	HCFC phase-out management plan (stage I, second tranche) (MOZ/PHA/73/TAS/25)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over five meetings ago.
Myanmar	HCFC phase-out management plan (stage I, first tranche) (MYA/PHA/68/TAS/14)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over ten meetings ago.
Nauru	HCFC phase-out management plan for PIC countries through regional approach (stage I, second tranche, Nauru) (NAU/PHA/74/TAS/10)	To request a status report to the 80 <sup>th</sup> meeting on the appointment of the NOO and the signing of the Agreement.
Nicaragua	HCFC phase-out management plan (stage I, second tranche) (NIC/PHA/74/TAS/31)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Oman	HCFC phase-out management plan (stage I, second tranche) (OMA/PHA/74/TAS/29)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Pakistan	HCFC phase-out management plan (stage I, third tranche) (PAK/PHA/73/TAS/90)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds for this project approved over five meetings ago.
Palau	HCFC phase-out management plan for PIC countries through regional approach (stage I, second tranche, Palau) (TTR/PHA/74/TAS/10)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.

<b>Country</b>	<b>Project title/project code</b>	<b>Actions</b>
Paraguay	HCFC phase-out management plan (stage I, second tranche) (PAR/PHA/74/TAS/33)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Philippines (the)	HCFC phase-out management plan (stage I, first tranche) (PHI/PHA/68/TAS/95)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the new Agreement.
Qatar	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector) (QAT/PHA/65/TAS/17)	To request a status report to the 80 <sup>th</sup> meeting to monitor the signing of the Agreement and the low disbursement rate of approved funds noting that this project was approved over thirteen meetings ago.
Samoa	HCFC phase-out management plan for PIC countries through regional approach (stage I, second tranche, Samoa) (SAM/PHA/74/TAS/18)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Timor-Leste	HCFC phase-out management plan (stage I, second tranche) (TLS/PHA/69/TAS/09)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over nine meetings ago.
Tunisia	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector) (TUN/PHA/72/TAS/56)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Zambia	HCFC phase-out management plan (stage I, second tranche) (ZAM/PHA/71/TAS/28)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved over seven meetings ago.

Annex V

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES  
IN THE PROGRESS REPORT FOR UNIDO**

Country	Project title/project code	Actions
<b>CFC projects</b>		
China	Sector plan for phase-out of CFCs consumption in MDI sector (CPR/ARS/56/INV/473)	To request UNIDO to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
Egypt	Phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs) (EGY/ARS/50/INV/92)	To request UNIDO to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
		To request UNIDO to complete the project by July 2018 as the final date of completion; to submit a project completion report (PCR) by January 2019; and to return funds balances no later than July 2019.
Iraq	National phase-out plan (MYA)	To approve the extension of the planned date of completion to December 2017; to request UNIDO to submit a PCR by June 2018; and to return any funds balances no later than December 2018.
	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 (IRQ/REF/57/INV/07)	To request UNIDO to report to the 80 <sup>th</sup> meeting on this project with implementation delays. To approve the extension of the planned date of completion to December 2017; to request UNIDO to submit a PCR by June 2018; and to return any funds balances no later than December 2018.
<b>Methyl bromide projects</b>		
China	National phase-out of methyl bromide (phase II, ninth tranche) (MYA)	To request UNIDO to submit to the 80 <sup>th</sup> meeting a comprehensive report on the project that addresses all the activities and expenditures since the last report.
Egypt	Technical assistance on two alternatives to methyl bromide in the palm date sector (EGY/FUM/74/TAS/123)	To approve the revised completion date of February 2018 as the final date of completion; and to request UNIDO to submit a PCR no later than August 2018 and to return funds balances no later than February 2019.
Iraq	Technical assistance for alternatives to methyl bromide (IRQ/FUM/62/INV/13)	To request UNIDO to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
		To approve the revised completion date of April 2018 as the final date of completion; and to request UNIDO to submit a PCR no later than October 2018 and to return funds balances no later than April 2019.
Sudan (the)	Technical assistance for the final phase-out of methyl bromide in the post-harvest sector (SUD/FUM/73/TAS/36)	To request UNIDO to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
		To approve the revised completion date of February 2018 as the final date of completion; and to request UNIDO to submit a PCR no later than August 2018 and to return funds balances no later than February 2019.
Tunisia	Technical assistance for the final phase-out of methyl bromide in the palm dates sector (TUN/FUM/73/TAS/63)	To request UNIDO to report to the 80 <sup>th</sup> meeting on this project with implementation delays.
		To approve the revised completion date of November 2017 as the final date of completion; and to request UNIDO to submit a PCR no later than May 2018 and to return funds balances no later than November 2018.

Country	Project title/project code	Actions
<b>ODS disposal projects</b>		
Algeria	Pilot demonstration project on ODS waste management and disposal (ALG/DES/72/DEM/79)	To cancel the project and to request UNIDO to return fund balances no later than June 2018.
China	Pilot demonstration project on ODS waste management and disposal (CPR/DES/67/DEM/520)	To reiterate decision 77/8(e)(i), and to request UNIDO to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements.
Lebanon	Pilot demonstration project on ODS waste management and disposal (LEB/DES/73/DEM/83)	To reiterate decision 77/8(e)(i), and to request UNIDO to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements.
Mexico	Demonstration project for disposal of unwanted ODS (MEX/DES/63/DEM/154)	To reiterate decision 77/8(e)(i), and to request UNIDO to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements and to complete the project by June 2017.
Nigeria	Demonstration project for disposal of unwanted ODS (NIR/DES/67/DEM/133)	To reiterate decision 77/8(e)(i), and to request UNIDO to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements and to complete the project by July 2018.
Turkey	Demonstration project for disposal of unwanted ODS (TUR/DES/66/DEM/99)	To reiterate decision 77/8(e)(i), and to request UNIDO to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements and to complete the project by December 2017.
Region: Europe and Central Asia	Demonstration of a regional strategy for ODS waste management and disposal in the Europe and Central Asia region (EUR/DES/69/DEM/14)	To reiterate decision 77/8(e)(i), and to request UNIDO to submit to the 80 <sup>th</sup> meeting a detailed report on this project as a project with specific reporting requirements and to complete the project by July 2017.
<b>ODS alternative surveys</b>		
Georgia, Kuwait, Libya, the Niger, Turkey, Venezuela (Bolivarian Republic of)		To request UNIDO to submit the surveys on ODS alternatives to the 80 <sup>th</sup> meeting in accordance with decisions 74/53(h) and 78/2(c).
<b>Renewal of institutional strengthening projects</b>		
Syrian Arab Republic	Phase V: 1/2015- 12/2016 (SYR/SEV/73/INS/104)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement of approved funds due to security situation.
Tunisia	Phase VIII: 4/2015-4/2017 (TUN/SEV/74/INS/64)	To request a status report to the 80 <sup>th</sup> meeting to monitor low disbursement of approved funds due to focus on activities from the previous phase.
<b>HCFC phase-out management plan (HPMP) preparation</b>		
Iraq	Preparation of a HCFC phase-out management plan/ investment activities in air-conditioning sector (stage II) (IRQ/PHA/73/PRP/19) (IRQ/REF/73/PRP/20)	To request a status report to the 80 <sup>th</sup> meeting on the HPMP preparation project due to the security situation in the country.
Syrian Arabic Republic	Preparation of a HCFC phase-out management plan (SYR/PHA/55/PRP/97)	To request a status report to the 80 <sup>th</sup> meeting on the HPMP preparation project due to the security situation in the country.
Syrian Arabic Republic	Preparation for HCFC phase-out investment activities (foam sector) (SYR/FOA/61/PRP/102)	

Country	Project title/project code	Actions
<b>HCFC demonstration projects</b>		
Morocco	Demonstration of the use of low cost pentane foaming technology for the conversion to non-ODS technologies in polyurethane foams at small and medium enterprises (MOR/FOA/75/DEM/74)	To request a status report to the 80 <sup>th</sup> meeting to monitor the implementation progress, including low disbursement rates of approved funds.
<b>Tranches of HPMPs</b>		
Albania	HCFC phase-out management plan (stage I, third tranche) (ALB/PHA/75/INV/30)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Algeria	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) (ALG/PHA/66/INV/77)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds noting that this project was approved 12 meetings ago.
Bolivia (Plurinational State of)	HCFC phase-out management plan (stage I, third tranche) (BOL/PHA/75/INV/44)	To request a status report to the 80 <sup>th</sup> meeting on the appointment of a national ozone officer.
Brazil	HCFC phase-out management plan (stage II, first tranche) (commercial refrigeration and air-conditioning sector) (BRA/PHA/75/INV/311)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Central African Republic (the)	HCFC phase-out management plan (stage I, first tranche) (CAF/PHA/64/INV/21)	To request a status report to the 80 <sup>th</sup> meeting to monitor the resumption of the activities in the country.
Korea (Democratic People's Republic of)	HCFC phase-out management plan (stage I, first tranche) (phase-out of HCFC-141b in polyurethane foam sector at Pyongyang Sonbong and Puhung Building Materials) (DRK/PHA/73/INV/59)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Korea (Democratic People's Republic of)	HCFC phase-out management plan (stage I, second tranche) (phase-out of HCFC-141b in polyurethane foam sector at Pyongyang Sonbong and Puhung Building Materials) (DRK/PHA/75/INV/62)	To request a status report to the 80 <sup>th</sup> meeting due to low disbursement rate of approved funds.
Iraq	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) (IRQ/PHA/74/INV/23)	To request a status report to the 80 <sup>th</sup> meeting to monitor the implementation progress and disbursement rate of approved funds due to security situation.
Libya	HCFC phase-out management plan (stage I, first tranche) (foam sector) (LIB/PHA/75/INV/36)	To request a status report to the 80 <sup>th</sup> meeting to monitor the implementation progress and disbursement rate of approved funds due to security situation.
Morocco	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector) (MOR/PHA/65/INV/68)	To request a status report to the 80 <sup>th</sup> meeting to monitor the completion of the audit.
Morocco	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector) (MOR/PHA/68/INV/69)	To request a status report to the 80 <sup>th</sup> meeting to monitor the low disbursement rate of approved funds.

<b>Country</b>	<b>Project title/project code</b>	<b>Actions</b>
Nicaragua	HCFC phase-out management plan (stage I, second tranche) (NIC/PHA/74/INV/32)	To request a status report to the 80 <sup>th</sup> meeting to monitor the administrative issues with customs authorities and the low disbursement rate of approved funds.
Nigeria	HCFC phase-out management plan (stage I, third tranche) (refrigeration air-conditioning manufacturing and coordination) (NIR/PHA/71/INV/136)	To request a status report to the 80 <sup>th</sup> meeting to monitor the installation exercise and the low disbursement rate of approved funds due to currency crisis in the country.
Senegal	HCFC phase-out management plan (stage I, first tranche) (SEN/PHA/65/INV/31)	To request a status report to the 80 <sup>th</sup> meeting to monitor the procurement and/or delivery of equipment.
Suriname	HCFC phase-out management plan (stage I, first tranche) (SUR/PHA/65/INV/18)	To request a status report to the 80 <sup>th</sup> meeting to monitor communication issues with NOU.
Syrian Arab Republic	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 (SYR/REF/62/INV/103)	To request UNIDO to report to the 80 <sup>th</sup> meeting on this project with implementation delays.

Annex VI

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES  
IN THE PROGRESS REPORT FOR THE WORLD BANK**

Country	Project title/project code	Actions
<b>ODS alternative surveys</b>		
Jordan, the Philippines, Thailand and Viet Nam		To request the World Bank to submit the surveys on ODS alternatives to the 80 <sup>th</sup> meeting in accordance with decisions 74/53(h) and 78/2(c).
<b>HCFC phase-out management plans (HPMPs)/HCFC production phase-out management plan (HPPMP)</b>		
China	<u>HCFC phase-out management plan (stage I):</u> Polyurethane rigid foam sector plan: (CPR/PHA/64/INV/508) (CPR/PHA/68/INV/526) (CPR/PHA/71/INV/535) (CPR/PHA/73/INV/551) <u>HCFC production phase-out management plan (stage I):</u> (CPR/PRO/72/INV/540) (CPR/PRO/74/INV/561)	To urge the World Bank to complete these ongoing projects, as soon as possible, and to provide status reports on the completion of these projects to the 81 <sup>st</sup> meeting.
Thailand	<u>HCFC phase-out management plan (stage I)</u> (THA/PHA/68/INV/162)	
Viet Nam	<u>HCFC phase-out management plan (stage I)</u> (VIE/PHA/63/INV/56) (VIE/PHA/63/TAS/58)	

**Annex VII**

**LETTERS TO BE SENT TO THE RELEVANT GOVERNMENTS  
ON TRANCHE SUBMISSION DELAYS**

<b>Country</b>	<b>Views expressed by the Executive Committee</b>
Algeria (Stage I)	Noting that the third (2014) tranche of stage I of the HCFC phase-out management plan (HPMP) had not been submitted due to the delays in a number of project components (including verification, customs training, flushing) and urging the Government of Algeria to work with UNIDO so that the third (2014) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2014 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Antigua and Barbuda (Stage I)	Noting that the second (2015) tranche of stage I of the HPMP had not been submitted in accordance with the Government's decisions, and urging the Government of Antigua and Barbuda to submit the required progress and financial reports and to work with United Nations Environment Programme (UNEP) so that the second (2015) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches.
Bahamas (the) (Stage I)	Noting that the third (2016) tranche of stage I of the HPMP had not been submitted and urging the Government of the Bahamas to sign the relevant agreement and project document, to submit the required progress and financial report, and to work with UNEP and UNIDO so that the third (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Bahrain (Stage I)	Noting the delays due to new set up of Government and urging the Government of Bahrain to work with UNEP and UNIDO so that the third (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Bangladesh (Stage I)	Noting the delays in Government's decisions or endorsement and urging the Government of Bangladesh to work with UNEP so the third (2015) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches.
Barbados (Stage I)	Noting that the second (2016) tranche of stage I of the HPMP submitted to the 79 <sup>th</sup> meeting was withdrawn by the relevant implementing agencies, and urging the Government of Barbados to work with UNDP and UNEP to address all the relevant issues and to submit the mandatory verification report on HCFC consumption targets so that the second (2016) tranche of stage I of the HPMP could be re-submitted to the 80 <sup>th</sup> meeting.
Brazil (Stage II)	Noting that the delays in signing the project document had been resolved and urging the Government of Brazil to work with the Government of Germany and UNDP so that the second (2017) tranche of stage II of the HPMP could be submitted to the 80 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Brunei Darussalam (Stage I)	Noting the delays in the review of, and agreement on, the small scale funding agreement (SSFA) and that the verification report had not been completed, and urging the Government of Brunei Darussalam to work with UNEP to finalize the SSFA and complete the mandatory verification report on HCFC consumption targets, and with UNEP and UNDP to submit the third (2017) tranche of stage I of the HPMP to the 80 <sup>th</sup> meeting.
Burkina Faso (Stage I)	Noting that the third (2016) tranche of stage I of the HPMP submitted to the 79 <sup>th</sup> meeting was withdrawn by the relevant implementing agencies, and urging the Government of Burkina Faso to work with UNEP and UNIDO to address all the relevant issues and to submit the mandatory verification report on HCFC consumption targets so that the third (2016) tranche of stage I of the HPMP could be re-submitted to the 80 <sup>th</sup> meeting.
Burundi (Stage I)	Noting that the delays from the previous tranche had been resolved and urging the Government of Burundi to work with UNEP and UNIDO so that the third (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.

Country	Views expressed by the Executive Committee
Central African Republic (the) (Stage I)	Noting that there are ongoing security issues and urging the Government of the Central African Republic to work with UNEP to expedite the implementation of the existing tranche so that the second (2013) tranche of stage I of the HPMP can be submitted to the 80 <sup>th</sup> or 81 <sup>st</sup> meeting with a revised plan of action to take into account the reallocation of the 2013 tranche and subsequent tranches.
Cote d'Ivoire (Stage I)	Noting that the delays from the previous tranche had been resolved and urging the Government of Cote d'Ivoire to work with UNEP and UNIDO so that the third (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Democratic Republic of the Congo (the) (Stage I)	Noting that the third (2015) tranche of stage I of the HPMP submitted to the 79 <sup>th</sup> meeting was withdrawn by the relevant implementing agencies, and urging the Government of the Democratic Republic of the Congo to work with UNEP and UNDP to address all the relevant issues and to submit the mandatory verification report on HCFC consumption targets so that the third (2015) tranche of stage I of the HPMP could be re-submitted to the 80 <sup>th</sup> meeting.
Dominica (Stage I)	Noting that the verification on HCFC consumption targets has not been completed, and urging the Government of Dominica to work with UNEP to complete the mandatory verification report so that the second (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Equatorial Guinea (Stage I)	Noting that the verification on HCFC consumption targets has not been completed and urging the Government of Equatorial Guinea to work with UNEP to complete the mandatory verification report, and to work with UNEP and UNIDO to submit the third (2016) tranche of stage I of the HPMP to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Georgia (Stage I)	Noting the delays due to changes in the project management team and urging the Government of Georgia to work with UNDP so that the third (2017) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting.
Guinea (Stage I)	Noting that the delays from the previous tranche had been resolved and urging the Government of Guinea to work with UNEP and UNIDO so that the third (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Kenya (Stage I)	Noting that the fourth (2016) tranche of stage I of the HPMP was approved at the 77 <sup>th</sup> meeting due to delays in submitting the tranche, and urging the Government of Kenya to work with the Government of France to expedite project implementation so that the fifth (2017) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting.
Kuwait (Stage I)	Noting that the overall disbursement rate of the second tranche of the HPMP was below the 20 per cent disbursement threshold and the delays in company co-financing contractual arrangements and urging the Government of Kuwait to work with UNEP and UNIDO so that the third (2016) tranche of stage I of the HPMP can be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Lesotho (Stage I)	Noting the slow implementation of stage I of the HPMP and that the verification report on HCFC consumption targets has not been completed and urging the Government of Lesotho to work with the Government of Germany to complete the mandatory verification report so that the third (2017) tranche of stage I of the HPMP can be submitted to the 80 <sup>th</sup> meeting.
Maldives (Stage I)	Noting that the Government of Maldives is holding a high-level stakeholder meeting to review their plans on how to manage post-2020 scenario after the complete phase-out of HCFCs and urging the Government of Maldives to work with UNEP so that the fourth (2017) tranche of stage I of the HPMP can be submitted to the 80 <sup>th</sup> meeting.
Mozambique (Stage I)	Noting that there have been delays due to the determination of the specifications of equipment for the investment component of the HPMP and that the verification report on HCFC consumption targets has not been completed, and urging the Government of Mozambique to work with UNEP and UNIDO to complete the activities and the mandatory verification report so that the third (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.

Country	Views expressed by the Executive Committee
Myanmar (Stage I)	Noting that the verification report on HCFC consumption targets has not been completed, and urging the Government of Myanmar to work with UNEP to complete the mandatory verification report, and with UNEP and UNIDO to submit the second (2015) tranche of stage I of the HPMP to the 80 <sup>th</sup> meeting, with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches.
Niger (the) (Stage I)	Noting that the verification report on HCFC consumption targets had not been completed, and urging the Government of the Niger to work with UNIDO to submit the mandatory verification report, and with UNEP and UNIDO to submit the second (2016) tranche of stage I of the HPMP to the 80 <sup>th</sup> meeting, with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Philippines (the) (Stage I)	Noting the delays in the project and verification report on HCFC consumption targets and that stage II of the HPMP is submitted by the World Bank for consideration at the 79 <sup>th</sup> meeting, and urging the Government of the Philippines to work with UNEP to submit the mandatory verification report for 2015 and 2016, to return the remaining balances of stage I of the HPMP to the 80 <sup>th</sup> meeting, and to submit the project completion report of stage I of the HPMP to the 81 <sup>st</sup> meeting.
Qatar (Stage I)	Noting that the second and third (2013 and 2015) tranches of stage I of the HPMP submitted to the 79 <sup>th</sup> meeting were withdrawn by the relevant implementing agencies, and urging the Government of Qatar to work with UNEP and UNIDO to address all the relevant issues that are related to the signing of agreement so that the second and third (2013 and 2015) tranches of stage I of the HPMP could be re-submitted to the 80 <sup>th</sup> meeting.
Suriname (Stage I)	Noting that there had been delays in previous tranches, that there were some staffing issues in the national ozone unit and that the verification report on HCFC consumption targets has not been completed, and urging the Government of Suriname to work with UNEP to submit the mandatory verification report, and with UNEP and UNIDO to submit the third (2016) tranche of stage I of the HPMP to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2016 and subsequent tranches.
Timor-Leste (Stage I)	Noting that there had been delays in the procurement of training materials and urging the Government of Timor-Leste to work with UNDP and UNEP to expedite implementation of the HPMP so that the third (2015) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches.
Turkey (Stage I)	Noting that there had been security issues and administrative restructuring in the Government and urging the Government of Turkey to work with UNIDO to expedite implementation so that the third (2016) tranche of stage I of the HPMP could be submitted to the 80 <sup>th</sup> meeting on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Viet Nam (Stage II)	Noting that the agreement had not been signed and the overall disbursement rate of the first tranche of the HPMP was below the 20 per cent disbursement threshold and urging the Government of Viet Nam to work with the Government of Japan and the World Bank to expedite the signing of the agreement so that the second (2017) tranche of stage II of the HPMP can be submitted to the 80 <sup>th</sup> or 81 <sup>st</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/79/51  
Annex VIII

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>AFGHANISTAN</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) <i>Noted that the Agreement has been updated based on the HCFC consumption baseline under Article 7 data and the transfer of Germany's component to UNIDO in accordance with decision 77/16.</i>	UNEP	3.5	\$120,000	\$15,600	\$135,600	
HCFC phase-out management plan (stage I, third tranche) <i>Noted that the Agreement has been updated based on the HCFC consumption baseline under Article 7 data and the transfer of Germany's component to UNIDO in accordance with decision 77/16.</i>	UNIDO	2.5	\$83,000	\$7,470	\$90,470	
<b>Total for Afghanistan</b>		<b>6.0</b>	<b>\$203,000</b>	<b>\$23,070</b>	<b>\$226,070</b>	
<b>ANGOLA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage II, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of the baseline. The Government and UNDP were requested to deduct 9.18 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>	UNDP	4.0	\$450,000	\$31,500	\$481,500	
<b>Total for Angola</b>		<b>4.0</b>	<b>\$450,000</b>	<b>\$31,500</b>	<b>\$481,500</b>	
<b>ARGENTINA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage II, first tranche) (management and coordination) <i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2022 to reduce HCFC consumption by 50 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 50 per cent by 2022; to ban, no later than 1 January 2022, the import and use of HCFC-141b, pure or contained in pre blended polyols, for the manufacture of polyurethane foam; to ban, no later than 1 January 2022, the import and use of HCFC-141b for flushing refrigeration circuits during servicing; and to ban, no later than 1 January 2022, the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam. The Government of Argentina, UNIDO, the World Bank, and the Government of Italy were requested to deduct 115.19 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>	IBRD		\$66,000	\$4,620	\$70,620	

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/79/51  
Annex VIII

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector)	UNIDO	1.2	\$125,000	\$8,750	\$133,750	
<i>The Government, UNIDO and the World Bank were requested to submit the project completion report to the second meeting in 2019.</i>						
HCFC phase-out management plan (stage II, first tranche) (monitoring and reporting of HCFC-22 production)	IBRD		\$7,500	\$525	\$8,025	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2022 to reduce HCFC consumption by 50 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 50 per cent by 2022; to ban, no later than 1 January 2022, the import and use of HCFC-141b, pure or contained in pre blended polyols, for the manufacture of polyurethane foam; to ban, no later than 1 January 2022, the import and use of HCFC-141b for flushing refrigeration circuits during servicing; and to ban, no later than 1 January 2022, the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam. The Government of Argentina, UNIDO, the World Bank, and the Government of Italy were requested to deduct 115.19 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						
HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	UNIDO	6.2	\$645,746	\$45,202	\$690,948	4.80
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2022 to reduce HCFC consumption by 50 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 50 per cent by 2022; to ban, no later than 1 January 2022, the import and use of HCFC-141b, pure or contained in pre blended polyols, for the manufacture of polyurethane foam; to ban, no later than 1 January 2022, the import and use of HCFC-141b for flushing refrigeration circuits during servicing; and to ban, no later than 1 January 2022, the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam. The Government of Argentina, UNIDO, the World Bank, and the Government of Italy were requested to deduct 115.19 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						
HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	Italy	2.9	\$250,000	\$32,500	\$282,500	4.80
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2022 to reduce HCFC consumption by 50 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 50 per cent by 2022; to ban, no later than 1 January 2022, the import and use of HCFC-141b, pure or contained in pre blended polyols, for the manufacture of polyurethane foam; to ban, no later than 1 January 2022, the import and use of HCFC-141b for flushing refrigeration circuits during servicing; and to ban, no later than 1 January 2022, the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam. The Government of Argentina, UNIDO, the World Bank, and the Government of Italy were requested to deduct 115.19 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/79/51  
Annex VIII

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) (foam sector)	IBRD	11.1	\$834,025	\$58,382	\$892,407	9.51
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2022 to reduce HCFC consumption by 50 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 50 per cent by 2022; to ban, no later than 1 January 2022, the import and use of HCFC-141b, pure or contained in pre blended polyols, for the manufacture of polyurethane foam; to ban, no later than 1 January 2022, the import and use of HCFC-141b for flushing refrigeration circuits during servicing; and to ban, no later than 1 January 2022, the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam. The Government of Argentina, UNIDO, the World Bank, and the Government of Italy were requested to deduct 115.19 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>						
<b>Total for Argentina</b>		<b>21.4</b>	<b>\$1,928,271</b>	<b>\$149,979</b>	<b>\$2,078,250</b>	
<b>BELIZE</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP	0.8	\$96,000	\$12,480	\$108,480	
<p><i>Approved on the understanding that if Belize were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols. Noted that the Agreement had been updated based on the established HCFC baseline for compliance; and that the revised starting point for sustained aggregate reduction in HCFC consumption is 2.80 ODP tonnes, calculated using actual consumption of 2.51 ODP tonnes and 3.09 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.</i></p>						
HCFC phase-out management plan (stage I, second tranche)	UNDP	0.2	\$6,500	\$585	\$7,085	
<p><i>Approved on the understanding that if Belize were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols. Noted that the Agreement had been updated based on the established HCFC baseline for compliance; and that the revised starting point for sustained aggregate reduction in HCFC consumption is 2.80 ODP tonnes, calculated using actual consumption of 2.51 ODP tonnes and 3.09 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol.</i></p>						
<b>Total for Belize</b>		<b>1.0</b>	<b>\$102,500</b>	<b>\$13,065</b>	<b>\$115,565</b>	

## List of projects and activities approved for funding

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Annex VIII

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
<b>BHUTAN</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of institutional strengthening project (phase VII: 12/2017-11/2019)	UNEP		\$85,000	\$0	\$85,000
<b>Total for Bhutan</b>			<b>\$85,000</b>		<b>\$85,000</b>
<b>BURKINA FASO</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of the institutional strengthening project (phase XII: 7/2017-6/2019)	UNEP		\$92,685	\$0	\$92,685
<b>Total for Burkina Faso</b>			<b>\$92,685</b>		<b>\$92,685</b>
<b>CAMBODIA</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of institutional strengthening project (phase IX: 7/2017-6/2019)	UNEP		\$144,214	\$0	\$144,214
<b>Total for Cambodia</b>			<b>\$144,214</b>		<b>\$144,214</b>
<b>CHILE</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of the institutional strengthening project (phase XII: 7/2017-6/2019)	UNDP		\$238,784	\$16,715	\$255,499
<b>Total for Chile</b>			<b>\$238,784</b>	<b>\$16,715</b>	<b>\$255,499</b>
<b>COLOMBIA</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of institutional strengthening project (phase XI: 11/2017-10/2019)	UNDP		\$352,768	\$24,694	\$377,462
<b>Total for Colombia</b>			<b>\$352,768</b>	<b>\$24,694</b>	<b>\$377,462</b>

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>CONGO, DR</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
Preparation of a HCFC phase-out management plan (stage II)	UNDP		\$20,000	\$1,400	\$21,400	
<i>Approved on the understanding that if the starting point for aggregate reduction in HCFC consumption was revised at a future meeting, the funding would be adjusted accordingly and the balance would be returned at the same meeting.</i>						
Preparation of a HCFC phase-out management plan (stage II)	UNEP		\$50,000	\$6,500	\$56,500	
<i>Approved on the understanding that if the starting point for aggregate reduction in HCFC consumption was revised at a future meeting, the funding would be adjusted accordingly and the balance would be returned at the same meeting.</i>						
<b>Total for Congo, DR</b>			<b>\$70,000</b>	<b>\$7,900</b>	<b>\$77,900</b>	
<b>EGYPT</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage II, first tranche) (project management and monitoring)	UNDP		\$42,306	\$2,961	\$45,268	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline and noted that the Government had also committed to reducing HCFC consumption by 35 per cent by 2020. Noted the commitment of the Government to ban the import of HCFC 141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38; to ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020; to ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023; and to ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023. The Government was invited, on an exceptional basis, to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential. Noted that the Government would have flexibility to allocate funding to the eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation. The Government of Egypt, UNDP, UNEP, UNIDO and the Government of Germany were requested to deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40.</i>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) (extruded polystyrene foam sector)	UNDP	9.1	\$727,211	\$50,905	\$778,116	4.42
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline and noted that the Government had also committed to reducing HCFC consumption by 35 per cent by 2020. Noted the commitment of the Government to ban the import of HCFC 141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38; to ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020; to ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023; and to ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023. The Government was invited, on an exceptional basis, to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential. Noted that the Government would have flexibility to allocate funding to the eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation. The Government of Egypt, UNDP, UNEP, UNIDO and the Government of Germany were requested to deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40.</i></p>						
HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	UNEP	2.6	\$230,000	\$27,480	\$257,480	4.80
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline and noted that the Government had also committed to reducing HCFC consumption by 35 per cent by 2020. Noted the commitment of the Government to ban the import of HCFC 141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38; to ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020; to ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023; and to ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023. The Government was invited, on an exceptional basis, to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential. Noted that the Government would have flexibility to allocate funding to the eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation. The Government of Egypt, UNDP, UNEP, UNIDO and the Government of Germany were requested to deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40.</i></p>						

## List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline and noted that the Government had also committed to reducing HCFC consumption by 35 per cent by 2020. Noted the commitment of the Government to ban the import of HCFC 141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38; to ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020; to ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023; and to ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023. The Government was invited, on an exceptional basis, to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential. Noted that the Government would have flexibility to allocate funding to the eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation. The Government of Egypt, UNDP, UNEP, UNIDO and the Government of Germany were requested to deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40.</i></p>	UNIDO	10.8	\$1,309,892	\$91,692	\$1,401,584	4.80
<p>HCFC phase-out management plan (stage II, first tranche) (air-conditioning sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline and noted that the Government had also committed to reducing HCFC consumption by 35 per cent by 2020. Noted the commitment of the Government to ban the import of HCFC 141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38; to ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020; to ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023; and to ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023. The Government was invited, on an exceptional basis, to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential. Noted that the Government would have flexibility to allocate funding to the eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation. The Government of Egypt, UNDP, UNEP, UNIDO and the Government of Germany were requested to deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40.</i></p>	UNIDO	1.8	\$347,036	\$24,293	\$371,329	6.35

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	UNIDO	22.9	\$1,699,713	\$118,980	\$1,818,693	8.15
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline and noted that the Government had also committed to reducing HCFC consumption by 35 per cent by 2020. Noted the commitment of the Government to ban the import of HCFC 141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38; to ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020; to ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023; and to ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023. The Government was invited, on an exceptional basis, to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential. Noted that the Government would have flexibility to allocate funding to the eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation. The Government of Egypt, UNDP, UNEP, UNIDO and the Government of Germany were requested to deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40.</i></p>						
HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	UNDP	3.1	\$272,835	\$19,098	\$291,933	9.69
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2017 to 2025 to reduce HCFC consumption by 67.5 per cent of its baseline and noted that the Government had also committed to reducing HCFC consumption by 35 per cent by 2020. Noted the commitment of the Government to ban the import of HCFC 141b contained in imported pre-blended polyols by 1 January 2018, pursuant to decision 65/38; to ban the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols by 1 January 2020; to ban the use of HCFCs and blends of HCFCs in the manufacture of extruded polystyrene foam by 1 January 2023; and to ban the import of HCFC-142b and blends of HCFC-142b by 1 January 2023. The Government was invited, on an exceptional basis, to submit, once a technology had been selected, and prior to 1 January 2020, a proposal, as part of stage II, to convert the domestic air-conditioning sector to alternatives with low global-warming potential. Noted that the Government would have flexibility to allocate funding to the eligible enterprises in the polyurethane foam sector for which funding had been not requested, if that were deemed necessary during implementation. The Government of Egypt, UNDP, UNEP, UNIDO and the Government of Germany were requested to deduct 146.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, including 4.4 ODP tonnes pursuant to decision 76/40.</i></p>						
<b>Total for Egypt</b>		<b>50.4</b>	<b>\$4,628,993</b>	<b>\$335,410</b>	<b>\$4,964,403</b>	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>EL SALVADOR</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.</i>						
<b>Total for El Salvador</b>			<b>\$30,000</b>	<b>\$2,700</b>	<b>\$32,700</b>	
<b>GABON</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNIDO	4.9	\$119,900	\$10,791	\$130,691	
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$50,100	\$6,513	\$56,613	
<b>Total for Gabon</b>			<b>4.9</b>	<b>\$170,000</b>	<b>\$17,304</b>	<b>\$187,304</b>
<b>GUYANA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase VII: 11/2017-10/2019)	UNEP		\$85,000	\$0	\$85,000	
<b>Total for Guyana</b>			<b>\$85,000</b>		<b>\$85,000</b>	
<b>LEBANON</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, fourth tranche)	UNDP	12.4	\$124,760	\$9,357	\$134,117	
<i>The Government of Lebanon and UNDP were requested to submit the project completion report to the last meeting of the Executive Committee in 2018.</i>						
<b>Total for Lebanon</b>			<b>12.4</b>	<b>\$124,760</b>	<b>\$9,357</b>	<b>\$134,117</b>
<b>MACEDONIA, FYR</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (phase I, seventh tranche)	UNIDO	0.1	\$82,000	\$6,150	\$88,150	
<b>Total for Macedonia, FYR</b>			<b>0.1</b>	<b>\$82,000</b>	<b>\$6,150</b>	<b>\$88,150</b>

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>MAURITIUS</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (third tranche)	Germany	3.1	\$332,750	\$40,140	\$372,890	
<i>Approved on the understanding that Mauritius had consumption in the service sector only and training activities for servicing agencies would result in smoother and faster adoption of the identified technologies; that the Government of Mauritius would provide co-financing for the approved demonstration and user-incentive programme for conversion to technologies with low global-warming potential, thereby demonstrating a strong commitment from the Government to support the adoption of such technologies; and that, if Mauritius were to decide to proceed with retrofits to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, along with the associated servicing, it would do so assuming all associated responsibilities and risks and only in accordance with relevant standards and</i>						
<b>Total for Mauritius</b>		<b>3.1</b>	<b>\$332,750</b>	<b>\$40,140</b>	<b>\$372,890</b>	
<b>MEXICO</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase XIII: 7/2017-6/2019)	UNIDO		\$316,160	\$22,131	\$338,291	
<b>Total for Mexico</b>			<b>\$316,160</b>	<b>\$22,131</b>	<b>\$338,291</b>	
<b>MONGOLIA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of the institutional strengthening project (phase X: 1/2018-12/2019)	UNEP		\$85,000	\$0	\$85,000	
<b>Total for Mongolia</b>			<b>\$85,000</b>		<b>\$85,000</b>	
<b>NAMIBIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (third tranche)	Germany	2.7	\$270,000	\$32,700	\$302,700	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase IX: 7/2017-6/2019)	UNEP		\$85,000	\$0	\$85,000	
<b>Total for Namibia</b>		<b>2.7</b>	<b>\$355,000</b>	<b>\$32,700</b>	<b>\$387,700</b>	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>PERU</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector)	UNDP	0.9	\$24,671	\$2,220	\$26,891	
<i>The Government of Peru, UNDP and UN Environment were requested to submit the project completion report to the second meeting of the Executive Committee in 2018.</i>						
HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector)	UNEP	0.2	\$5,000	\$650	\$5,650	
<i>The Government of Peru, UNDP and UN Environment were requested to submit the project completion report to the second meeting of the Executive Committee in 2018.</i>						
<b>Total for Peru</b>		<b>1.1</b>	<b>\$29,671</b>	<b>\$2,870</b>	<b>\$32,541</b>	
<b>PHILIPPINES</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase XI: 1/2018-12/2019)	UNEP		\$231,850	\$0	\$231,850	
<b>Total for Philippines</b>			<b>\$231,850</b>		<b>\$231,850</b>	
<b>QATAR</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of institutional strengthening project (phase IV: 8/2017-7/2019)	UNIDO		\$113,920	\$7,974	\$121,894	
<b>Total for Qatar</b>			<b>\$113,920</b>	<b>\$7,974</b>	<b>\$121,894</b>	
<b>SERBIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$14,450	\$1,879	\$16,329	
<i>Approved on an exceptional basis and on the understanding that the approved funds would not be transferred to UNIDO and UN Environment until the Secretariat had reviewed the verification report and confirmed that the Government of Serbia was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee; and that as part of its annual progress report UNIDO would report on the status of manufacturing of low-GWP systems at the converted refrigeration and air-conditioning manufacturing enterprises.</i>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage I, third tranche) <i>Approved on an exceptional basis and on the understanding that the approved funds would not be transferred to UNIDO and UN Environment until the Secretariat had reviewed the verification report and confirmed that the Government of Serbia was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee; and that as part of its annual progress report UNIDO would report on the status of manufacturing of low-GWP systems at the converted refrigeration and air-conditioning manufacturing enterprises.</i>	UNIDO		\$67,800	\$5,085	\$72,885	
<b>Total for Serbia</b>			<b>\$82,250</b>	<b>\$6,964</b>	<b>\$89,214</b>	
<b>TOGO</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) <i>Approved on the understanding that Togo had consumption in the servicing sector only; and that the financial incentive scheme would enhance the sustainability of the training of servicing technicians, and that end-users would provide co-financing to participate in the scheme.</i>	UNEP		\$62,000	\$8,060	\$70,060	
HCFC phase-out management plan (stage I, third tranche) <i>Approved on the understanding that Togo had consumption in the servicing sector only; and that the financial incentive scheme would enhance the sustainability of the training of servicing technicians, and that end-users would provide co-financing to participate in the scheme.</i>	UNIDO	3.9	\$150,000	\$11,250	\$161,250	
<b>Total for Togo</b>			<b>3.9</b>	<b>\$212,000</b>	<b>\$19,310</b>	<b>\$231,310</b>
<b>TRINIDAD AND TOBAGO</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase IX: 1/2018-12/2019)	UNDP		\$85,000	\$5,950	\$90,950	
<b>Total for Trinidad and Tobago</b>			<b>\$85,000</b>	<b>\$5,950</b>	<b>\$90,950</b>	
<b>ZIMBABWE</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of the institutional strengthening project (phase IX: 7/2017-6/2019)	UNEP		\$189,750	\$0	\$189,750	
<b>Total for Zimbabwe</b>			<b>\$189,750</b>		<b>\$189,750</b>	
<b>GRAND TOTAL</b>			<b>110.9</b>	<b>\$10,821,326</b>	<b>\$775,882</b>	<b>\$11,597,208</b>

## Summary

UNEP/OzL.Pro/ExCom/79/51  
Annex VIII

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
<b>BILATERAL COOPERATION</b>				
Phase-out plan	8.7	\$852,750	\$105,340	\$958,090
<b>TOTAL:</b>	8.7	\$852,750	\$105,340	\$958,090
<b>INVESTMENT PROJECT</b>				
Phase-out plan	103.8	\$7,763,445	\$582,478	\$8,345,923
<b>TOTAL:</b>	103.8	\$7,763,445	\$582,478	\$8,345,923
<b>WORK PROGRAMME AMENDMENT</b>				
Phase-out plan		\$100,000	\$10,600	\$110,600
Several		\$2,105,131	\$77,464	\$2,182,595
<b>TOTAL:</b>		\$2,205,131	\$88,064	\$2,293,195
<b>Summary by Parties and Implementing Agencies</b>				
Germany	5.9	\$602,750	\$72,840	\$675,590
Italy	2.9	\$250,000	\$32,500	\$282,500
IBRD	11.1	\$907,525	\$63,527	\$971,052
UNDP	29.7	\$2,374,835	\$168,086	\$2,542,921
UNEP	7.1	\$1,626,049	\$79,162	\$1,705,211
UNIDO	55.9	\$5,060,167	\$359,768	\$5,419,935
<b>GRAND TOTAL</b>	112.5	\$10,821,326	\$775,882	\$11,597,208

**Balances on projects returned at the 79<sup>th</sup> meeting**

<b>Agency</b>	<b>Project costs (US\$)</b>	<b>Support costs (US\$)</b>	<b>Total (US\$)</b>
Germany (per decision 79/3(a)(viii))*	5,275	686	5,961
Italy (per decision 79/3(a)(iv)**	177,992	23,139	201,131
Spain (per decision 79/3(a)(iv)**	1,837	214	2,051
UNDP (per decision 79/3(a)(iii)	-97,064	-7,159	-104,223
UNEP (per decision 79/3(a)(ii))	1,291,131	147,728	1,438,859
UNIDO (per decision 79/3(a)(ii))	486,204	35,219	521,423
<b>Total</b>	<b>1,865,375</b>	<b>199,827</b>	<b>2,065,202</b>

\*Offset against bilateral projects approved at the 79<sup>th</sup> meeting

\*\*Cash transfer

**Net allocations based on decisions of the 79<sup>th</sup> meeting**

<b>Agency</b>	<b>Project costs (US\$)</b>	<b>Support costs (US\$)</b>	<b>Total (US\$)</b>
Germany	597,475	72,154	669,629
Italy	250,000	32,500	282,500
UNDP	2,471,899	175,245	2,647,144
UNEP	334,918	-68,566	266,352
UNIDO	4,573,963	324,549	4,898,512
World Bank	907,525	63,527	971,052
<b>Total</b>	<b>9,135,780</b>	<b>599,408</b>	<b>9,735,188</b>

**Annex IX**

**REVISED UPDATED AGREEMENT BETWEEN THE ISLAMIC REPUBLIC OF  
AFGHANISTAN 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 Islamic Republic of Afghanistan (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 15.34 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 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 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 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. United Nations Environment Programme (UNEP) has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Germany (for period of 2011 to December 2016) and UNIDO (for the period of December 2016 to 2020) have agreed to be cooperating implementing agency (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 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 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 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 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 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 IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IAs 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 the Islamic Republic of Afghanistan and the Executive Committee at the 72<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	23.60

### 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)			23.60	23.60	21.24	21.24	21.24	21.24	21.24	15.34	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)			23.60	23.60	21.24	21.24	21.24	21.24	21.24	15.34	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	120,000	0	0	118,000	0	0	120,000	0	0	40,825	398,825
2.2	Support costs for Lead IA (US \$)	15,600	0	0	15,340	0	0	15,600	0	0	5,307	51,847
2.3	Cooperating IA (Germany) agreed funding (US \$)	37,062	0	0	0	0	0	0	0	0	0	37,062
2.4	Support costs for Cooperating IAs (US \$)	4,818	0	0	0	0	0	0	0	0	0	4,818
2.5	Cooperating IA (UNIDO) agreed funding (US \$)	0	0	0	0	0	131,938	83,000	0	0	28,276	243,214
2.6	Support costs for Cooperating IA (US \$)	0	0	0	0	0	11,874	7,470	0	0	2,545	21,889
3.1	Total agreed funding (US \$)	157,062	0	0	118,000	0	131,938	203,000	0	0	69,101	679,101
3.2	Total support costs (US \$)	20,418	0	0	15,340	0	11,874	23,070	0	0	7,852	78,554
3.3	Total agreed costs (US \$)	177,480	0	0	133,340	0	143,812	226,070	0	0	76,953	757,655
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											8.26
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)											n/a
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)											15.34

### 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 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) will submit annual progress reports on implementation status of the HPMP to UNEP and UNIDO.
2. Monitoring of activities of the HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to an independent local company or to independent local consultant(s) by UNEP.

## **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 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 Tranche 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 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 IAs 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 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 \$166 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.

## Annex X

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BELIZE 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 Belize (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 1.82 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 and 4.2.3.
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 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. United Nations Environment Programme (UNEP) has agreed to be the lead implementing agency (the “Lead IA”) and UNDP 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). 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 Belize 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	2.68
HCFC-141b	C	I	0.12

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

		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	2.80	2.80	2.52	2.52	2.52	2.52	2.52	1.82	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	2.80	2.80	2.52	2.52	2.52	2.52	2.52	1.82	n/a
2.1	Lead IA UNEP agreed funding(US \$)	80,000	0	0	0	0	0	96,000	0	0	0	37,500	213,500
2.2	Support costs for Lead IA(US \$)	10,400	0	0	0	0	0	12,480	0	0	0	4,875	27,755
2.3	Cooperating IA UNDP agreed funding (US \$)	60,000	0	0	0	0	0	6,500	0	0	0	0	66,500
2.4	Support costs for Cooperating IA (US \$)	5,400	0	0	0	0	0	585	0	0	0	0	5,985
3.1	Total agreed funding (US \$)	140,000	0	0	0	0	0	102,500	0	0	0	37,500	280,000
3.2	Total support cost (US \$)	15,800	0	0	0	0	0	13,065	0	0	0	4,875	33,740
3.3	Total agreed costs (US \$)	155,800	0	0	0	0	0	115,565	0	0	0	42,375	313,740
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)												0.94
4.1.2	Phase-out of HCFCs to be achieved in previously approved projects (ODP tonnes)												n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												1.74
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)												0.04
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)												0.08

## 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 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 NOU will submit annual progress reports of status of implementation of the HPMP to UNEP.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent company or to independent consultants by UNEP.

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

1. The Lead IA will be responsible for the following activities:
  - (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 (UNDP)**

1. The Cooperating IA will be responsible for the following activities:
  - (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.

## Annex XI

### VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWAL OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 79<sup>th</sup> MEETING

#### **Bhutan**

1. The Executive Committee reviewed the report submitted with the request for the institutional strengthening (IS) project for Bhutan (phase VII) and noted with appreciation that the country has reported 2016 country programme implementation data to the Fund Secretariat and 2016 Article 7 data to the Ozone Secretariat. The Executive Committee acknowledged with appreciation that the Government of Bhutan is committed to the accelerated HCFC phase-out schedule and that the country has a well-structured and operational licensing and quota system. The Executive Committee noted that the HPMP for Bhutan has been implemented in efficient and timely manner and mainstreamed into the national planning process, and further noted with appreciation that the country has taken steps to initiate the ratification of the Kigali Amendment to the Montreal Protocol. The Executive Committee is therefore confident that the Government of Bhutan will continue activities both at the policy and project levels to ensure its annual HCFC consumption not to exceed the maximum allowable consumption in the HPMP agreement with the Executive Committee.

#### **Burkina Faso**

2. The Executive Committee reviewed the report submitted with the request for the IS project for Burkina Faso (phase XII) and noted with appreciation the fact that the Government of Burkina Faso reported 2016 data to the Ozone Secretariat indicating that the country in compliance with the Montreal Protocol and 2016 country programme implementation data to the Fund Secretariat. The Executive Committee further noted that the Government of Burkina Faso has taken some steps to phase out ODS consumption; in particular, implementation of HCFC imports controls through the licensing and quota system, and training of customs officers and refrigeration technicians. The Executive Committee acknowledged the efforts of the Government of Burkina Faso and is therefore hopeful that, within the next two years, the Government of Burkina Faso will continue implementation of stage I of the HPMP and IS project activities with success in order to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

#### **Cambodia**

3. The Executive Committee reviewed the report submitted with the request for the IS project for Cambodia (phase IX) and noted with appreciation that the country reported 2015 Article 7 data to the Ozone Secretariat indicating that the country was in compliance with the Montreal Protocol control measure to reduce HCFC consumption by 10 per cent in 2015, and that the country had reported 2016 country programme implementation data to the Fund Secretariat in a timely manner. The Executive Committee acknowledged with appreciation that Cambodia has been enforcing a well-structured licensing and quota system on HCFC imports and exports, including HCFC-based equipment. The Executive Committee also noted that the HPMP was being implemented as planned and that information outreach and awareness raising activities were conducted. The Executive Committee is therefore confident that Cambodia will continue activities both at the policy and project levels to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

#### **Chile**

4. The Executive Committee reviewed the report presented with the request for the IS project for Chile (phase XII) and noted with appreciation that the country is taking the necessary steps to meet the

Montreal Protocol control measures related to HCFCs. The Executive Committee commended the Government of Chile for the implementation of stage I of the HPMP, its effective licensing and quota system, and the participative approach used in the implementation of all activities related to the Montreal Protocol. The Executive Committee noted with appreciation the activities conducted by the Government of Chile to foster the adoption of low-GWP alternatives in the refrigeration and air-conditioning sector and the level of public awareness related to the national phase-out goals, as well as the intention to initiate the process to ratify the Kigali Amendment, and the country's continued active participation in regional network and Montreal Protocol meetings. The Executive Committee is hopeful that, in phase XII of the IS project, the Government of Chile will continue the implementation of stage II HPMP and IS project with success to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

### **Colombia**

5. The Executive Committee reviewed the report presented with the request for the IS project for Colombia (phase XI) and noted with appreciation that the country is taking the necessary steps to meet the Montreal Protocol control measures related to HCFCs. The Executive Committee commended the Government of Colombia for the implementation of stage I and the preparation of stage II of the HPMP, its effective licensing and quota system, and the good communication between HCFC importers and customs authorities. The Executive Committee noted with appreciation the efforts made by the Government of Colombia through the demonstration projects to find alternatives to the use of HCFC, the level of public awareness related to HCFC phase-out challenges and the national phase-out goals, and the initial steps for the ratification of the Kigali Amendment. The Committee also appreciated the country's active participation in regional network and Montreal Protocol meetings. The Executive Committee noted that the approved stage II of the HPMP will support the effort of Colombia in the coming years to fulfil its HCFC reduction goals and is therefore hopeful that the Government of Colombia will continue to implement ODS phase-out activities with success in order to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

### **Guyana**

6. The Executive Committee reviewed the report submitted with the request for the IS project for Guyana (phase VII) and noted with appreciation that the Government of Guyana reported 2016 Article 7 data indicating that the country is in compliance with the Montreal Protocol and 2016 country programme implementation data to the Fund Secretariat. The Executive Committee further noted that the Government of Guyana had taken steps to phase out its HCFC consumption, which included the improvement and enforcement of the licensing system, the import ban on ODS-based equipment, and capacity building of refrigeration technicians in good practices and the proper use of alternative refrigerants. The Executive Committee acknowledged the efforts of the Government of Guyana and is therefore hopeful that, within the next two years, the country will continue the implementation of stage II of the HPMP and IS project with success to ensure its annual HCFC consumption not to exceed the maximum allowable consumption in the HPMP agreement with the Executive Committee.

### **Mexico**

7. The Executive Committee reviewed the report presented with request for the IS project for Mexico (phase XIII) and noted with appreciation that Mexico is in compliance with the Montreal Protocol phase-out targets and the reporting obligations, and has strengthened the capacity of the National Ozone Unit (NOU) for the control of HCFCs. The Committee acknowledged that Mexico has provided support to countries in the Latin America region through information dissemination, the organization of workshops, and technical visits. The Executive Committee supports the efforts of Mexico to implement stages I and II of the (HPMP) and to prioritize the ratification of the Kigali Amendment.

## **Mongolia**

8. The Executive Committee reviewed the report submitted with the request for the IS project for Mongolia (phase X) and noted with appreciation that the Government of Mongolia reported 2016 Article 7 data to the Ozone Secretariat indicating that the country is in compliance with the Montreal Protocol and 2016 country programme implementation data to the Fund Secretariat. The Executive Committee acknowledged that Mongolia has a well-structured licensing and quota system and that stage I of the HPMP is being implemented in an efficient and timely manner. The Executive Committee noted with appreciation that in the next phase of the IS project Government of Mongolia will initiate preparatory activities to facilitate ratification of the Kigali Amendment of the Montreal Protocol. The Executive Committee acknowledged the efforts of the Government of Mongolia and is therefore hopeful that, within the next two years, Mongolia will continue the implementation of its HPMP and IS project with success to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

## **Namibia**

9. The Executive Committee reviewed the report submitted with the request for the renewal of the IS project for Namibia (phase IX) and noted with appreciation that the Government of Namibia reported 2016 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats indicating that the country is in compliance with the Montreal Protocol, and the maximum allowable consumption set out in the HPMP Agreement with the Executive Committee. The Executive Committee noted that Namibia has taken steps to address ODS phase-out including the implementation of HCFC imports controls through a licensing and quota system, and training of customs officers and refrigeration technicians. The Executive Committee is therefore confident that, in the next two years, the Government of Namibia will continue the implementation of the HPMP and IS project with success to achieve the 91 per cent reduction in HCFC consumption by 2019 in accordance with the targets in the HPMP.

## **Philippines (the)**

10. The Executive Committee reviewed the report submitted with the request for the IS project for the Philippines (phase XI) and noted with appreciation that the Government of the Philippines reported 2015 Article 7 data to the Ozone Secretariat indicating that the country is in compliance with the Montreal Protocol and 2016 country programme implementation data to the Fund Secretariat. The Executive Committee acknowledged the efforts of the Government of the Philippines to enforce HCFC import/export licensing and quota system and to conduct public awareness activities and noted with appreciation the preparatory activities to facilitate the implementation of the Kigali Amendment. The Executive Committee is therefore hopeful that, within the next two years, the country will complete the implementation of stage I of the HPMP, initiate stage II of the HPMP, and will continue the IS project with success to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

## **Qatar**

11. The Executive Committee reviewed the report presented with the request for the IS project for Qatar (phase IV) and noted with appreciation that Qatar reported its 2016 country programme data in advance of the 1 May deadline. The Executive Committee also noted that the NOU was re-established and is operational, and encourages Qatar to allow the NOU to continue to assist the Government to meet its Montreal Protocol obligations and the annual HCFC consumption reduction targets set out in the HPMP for Qatar. The Executive Committee expresses the hope that the NOU will further follow up on the administrative procedures for ratification of the Kigali Amendment that were initiated in phase III.

The Executive Committee acknowledged the country's progress in preparing the second and third tranches of stage I of its HPMP, and looks forward to their submission to the 80<sup>th</sup> meeting.

### **Trinidad and Tobago**

12. The Executive Committee reviewed the report presented with the request for the IS project for the Trinidad and Tobago (phase IX) and noted with appreciation that the country is taking the necessary steps to meet the Montreal Protocol control measures related to HCFCs. The Executive Committee commended the Government of Trinidad and Tobago for the implementation of stage I of the HPMP, its effective import and export control regulations for the import of ODS, ODS blends, and ODS-based equipment, as well as its compulsory labelling standard for refrigerant containers. The Executive Committee noted with appreciation that the country performed training on good practices in refrigeration with emphasis on safe use of hydrocarbon refrigerants, developed activities for public awareness related to HCFC phase-out, as well as participated in regional network and Montreal Protocol meetings. The Executive Committee is hopeful that, in phase IX of the IS project, the Government of Trinidad and Tobago will continue the implementation of the HPMP and IS project with success to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

### **Zimbabwe**

13. The Executive Committee reviewed the report submitted with the request for the IS project for Zimbabwe (phase IX) and noted with appreciation that the Government of Zimbabwe reported 2016 data to the Ozone Secretariat indicating that the country is in compliance with the Montreal Protocol and 2016 country programme implementation data to the Fund Secretariat. The Executive Committee further noted that the Government of Zimbabwe has taken initiatives including the implementation of the ODS licensing system, and training of customs officers and refrigeration technicians. The Executive Committee acknowledged the efforts of the Government of Zimbabwe to reduce ODS consumption and expressed the expectation that, in the coming years, the country will continue the implementation of the licensing system and ODS phase-out activities with success to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

## Annex XII

### **AGREEMENT BETWEEN THE GOVERNMENT OF ANGOLA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

#### **Purpose**

1. This Agreement represents the understanding of the Government of Angola (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 5.18 ODP tonnes by 1 January 2025 in compliance with Montreal Protocol schedule.
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 consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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.

#### **Conditions for funding release**

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when 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 has 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 there are no due country programme implementation reports 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 for all relevant years, unless the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted a Tranche Implementation Report 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; and

- (d) That the Country has submitted a Tranche 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.

### **Monitoring**

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 Plans in accordance with their roles and responsibilities set out in the same appendix.

### **Flexibility in the reallocation of funds**

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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;
  - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
  - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) 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 subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

### **Considerations for the refrigeration servicing sector**

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, 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 relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

### **Bilateral and implementing agencies**

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”) 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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

### **Non-compliance with the Agreement**

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 decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding 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 decisions 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 the information necessary to verify compliance with this Agreement.

### Date of completion

14. The completion of the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan unless otherwise specified by the Executive Committee.

### Validity

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 Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	15.95

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

Row	Particulars	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	14.36	14.36	14.36	10.37	10.37	10.37	10.37	10.37	5.18	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	14.36	14.36	14.36	10.37	10.37	10.37	10.37	10.37	5.18	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	450,000	0	0	0	363,600	0	0	0	90,400	904,000
2.2	Support costs for Lead IA (US \$)	31,500	0	0	0	25,452	0	0	0	6,328	63,280
3.1	Total agreed funding (US \$)	450,000	0	0	0	363,600	0	0	0	90,400	904,000
3.2	Total support costs (US \$)	31,500	0	0	0	25,452	0	0	0	6,328	63,280
3.3	Total agreed costs (US \$)	481,500	0	0	0	389,052	0	0	0	96,728	967,280
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										9.18
4.1.2	Phase-out of HCFC-22 to be achieved in previously in the previous stage (ODP tonnes)										1.59
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										5.18

\*Date of completion of stage I as per stage I Agreement is 31/12/2017.

### **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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since 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 the amount of ODS phased 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 Tranche 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;
- (b) An independent verification report of the Plan results and the consumption of the Substances, 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 during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and 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 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 Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

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

1. Overall supervision will be provided by the Ministry of Environment, through the National Ozone Office, with assistance from the Lead IA.
2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant government departments.
3. The National Ozone Office will compile and report the following data and information each year on, or before the deadlines:
  - (a) Annual reports on the consumption of the substances to be submitted to the Ozone Secretariat, and
  - (b) Annual reports on progress in implementing the HPMP to be submitted to the Executive Committee of the Multilateral Fund.
4. The National Ozone Office and the Lead IA will jointly hire a qualified independent entity to conduct a qualitative and quantitative performance assessment of the implementation of the HPMP.
5. The agency responsible for evaluation will have full access to relevant technical and financial information related to the implementation of the HPMP.

#### **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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 on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex XIII

### AGREEMENT BETWEEN THE GOVERNMENT OF ARGENTINA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

#### Purpose

1. This Agreement represents the understanding of the Government of Argentina (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 200.35 ODP tonnes by 1 January 2022 in compliance with Montreal Protocol schedule.
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 and 4.5.3 (remaining consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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.

#### Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when 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 has 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 there are no due country programme implementation reports 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 for all relevant years, unless the Executive Committee decided that such verification would not be required;
  - (c) That the Country had submitted a Tranche Implementation Report 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; and

- (d) That the Country has submitted a Tranche 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.

### **Monitoring**

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 Plans in accordance with their roles and responsibilities set out in the same appendix.

### **Flexibility in the reallocation of funds**

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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;
  - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
  - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) 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 subsequent Tranche Implementation Report;

- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and
- (d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

### **Considerations for the refrigeration servicing sector**

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, 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 relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

### **Bilateral and implementing agencies**

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 the World Bank and the Government of Italy 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 the Lead IA and/or Cooperating IAs 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 Cooperating IAs will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IAs are contained in Appendix 6-A and Appendix 6-B, respectively. 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.

### **Non-compliance with the Agreement**

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 decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding 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 decisions 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 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.

### **Date of completion**

14. The completion of the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan unless otherwise specified by the Executive Committee.

### **Validity**

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 Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

## **APPENDICES**

### **APPENDIX 1-A: THE SUBSTANCES**

<b>Substance</b>	<b>Annex</b>	<b>Group</b>	<b>Starting point for aggregate reductions in consumption (ODP tonnes)</b>
HCFC-22	C	I	266.20
HCFC-123	C	I	1.57
HCFC-124	C	I	0.83
HCFC-141b	C	I	94.57
HCFC-142b	C	I	14.34
Total	C	I	377.51

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

Row	Particulars	2017	2018	2019	2020	2021	2022	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	360.63	360.63	360.63	260.45	260.45	260.45	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	330.58	330.58	330.58	260.45	260.45	200.35	n/a	
2.1	Lead IA (UNIDO) agreed funding (US \$)	645,746	0	1,047,217	0	1,584,000	364,107	3,641,070	
2.2	Support costs for Lead IA (US \$)	45,202	0	73,305	0	110,880	25,487	254,875	
2.3	Cooperating IA (World Bank) agreed funding (US \$)	907,525	0	2,233,576	0	2,304,050	605,017	6,050,168	
2.4	Support costs for Cooperating IA (US \$)	63,527	0	156,350	0	161,284	42,351	423,512	
2.5	Cooperating IA (Italy) agreed funding (US \$)	250,000	0	0	0	0	0	250,000	
2.6	Support costs for Cooperating IA (US \$)	32,500	0	0	0	0	0	32,500	
3.1	Total agreed funding (US \$)	1,803,271	0	3,280,793	0	3,888,050	969,124	9,941,238	
3.2	Total support costs (US \$)	141,229	0	229,655	0	272,164	67,839	710,887	
3.3	Total agreed costs (US \$)	1,944,500	0	3,510,448	0	4,160,214	1,036,962	10,652,125	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								42.84
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								59.57
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								163.79
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								70.61
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								23.96
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								1.74
4.3.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								12.6
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)								0
4.4.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)								0
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								1.57
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0
4.5.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)								0
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0.83

\*Date of completion of stage I as per stage I Agreement: 31 December 2018.

## 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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since 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 the amount of ODS phased 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 Tranche 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;
- (b) An independent verification report of the Plan results and the consumption of the Substances, 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 during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and 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 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 Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and

- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

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

1. In Argentina, the National Ozone Unit (OPROZ) is a tripartite coordination office for the Country Programme for the Implementation of the Montreal Protocol (CP). It is composed of a representative of the Ministry of Environment and Sustainable Development (MAyDS), Ministry of Production (MoP), and Ministry of Foreign Affairs and Worship.
2. OPROZ is coordinated by MAyDS that serves as the Montreal Protocol national focal point. MAyDS is responsible for the tasks related to the implementation of the CP, the control of the import licensing system and the evaluation of consumption data, issuing of reports on a quarterly basis on compliance with the CP, and the reduction of ODS consumption.
3. UNIDO is appointed as the Lead IA of stage II of the HPMP for Argentina. The World Bank and the Government of Italy are the Cooperating IAs.
4. UNIDO will be responsible for the overall management, monitoring of progress, performance verification and reporting to the Fund Secretariat and the Executive Committee. The subprojects of stage II will be implemented by UNIDO, the World Bank and the Government of Italy. The IAs will implement their subprojects according to the respective rules and procedures of UNIDO, the World Bank and the Government of Italy.
5. The World Bank will report to UNIDO on the progress of all the activities under its implementation, which will be incorporated into UNIDO's periodical progress reports. The World Bank will coordinate its activities through the Ministry of Production.
6. UNIDO will work in close cooperation with OPROZ and with the beneficiaries. The work will be carried out under the supervision and guidance of the Project Manager of UNIDO. Necessary local coordination and control will be done by OPROZ.

#### **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IAs;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IAs, and ensuring appropriate sequence of activities;
- (k) 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 the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IAs on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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 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;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

#### **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 \$172.61 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, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex XIV

### **AGREEMENT BETWEEN THE GOVERNMENT OF EGYPT AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

#### **Purpose**

1. This Agreement represents the understanding of the Government of Egypt (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 125.54 ODP tonnes by 1 January 2025 in compliance with Montreal Protocol schedule.
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 and 4.5.3 (remaining consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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.

#### **Conditions for funding release**

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when 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 has 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 there are no due country programme implementation reports 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 for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report 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; and
- (d) That the Country has submitted a Tranche 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.

### **Monitoring**

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 Plans in accordance with their roles and responsibilities set out in the same appendix.

### **Flexibility in the reallocation of funds**

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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;
  - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
  - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) 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 subsequent Tranche Implementation Report;

- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan;
- (d) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations standards and incentives adequate provisions that encourage introduction of such alternatives; and 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 in tranche implementation reports; and
- (e) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

#### **Considerations for the refrigeration servicing sector**

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, 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 relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

#### **Bilateral and implementing agencies**

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 UNDP, United Nations Environment Programme (UNEP) and the 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 the Lead IA and Cooperating IAs 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 Cooperating IAs will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IAs are contained in Appendix 6-A and Appendix 6-B, respectively. 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, 2.6 and 2.8 of Appendix 2-A.

### **Non-compliance with the Agreement**

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 decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding 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 decisions 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 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.

### **Date of completion**

14. The completion of the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan unless otherwise specified by the Executive Committee.

### **Validity**

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 Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	240.19
HCFC-123	C	I	0.11
HCFC-141b	C	I	129.61
HCFC-142b	C	I	16.36
Sub-total			386.27
HCFC-141b contained in imported pre-blended polyols	C	I	98.34
Total	C	I	484.61

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

Row	Particulars	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	347.64	347.64	347.64	251.08	251.08	251.08	251.08	251.08	125.54	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	347.64	289.70	289.70	251.08	251.08	251.08	251.08	251.08	125.54*	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	3,356,641	0	755,000	0	935,000	0	755,200	0	195,000	5,996,841
2.2	Support costs for Lead IA (UNIDO) (US \$)	234,965	0	52,850	0	65,450	0	52,864	0	13,650	419,779
2.3	Cooperating IA (UNDP) agreed funding (US \$)	1,042,352	0	1,836,750	0	816,620	0	0	0	0	3,695,722
2.4	Support costs for Cooperating IA (UNDP) (US \$)	72,965	0	128,573	0	57,163	0	0	0	0	258,701
2.5	Cooperating IA (UNEP) agreed funding (US \$)	230,000	0	279,500	0	260,000	0	180,000	0	105,500	1,055,000
2.6	Support costs for Cooperating IA (UNEP) (US \$)	27,480	0	33,394	0	31,064	0	21,506	0	12,605	126,050
2.7	Cooperating IA (Germany) agreed funding (US \$)	0	0	207,300	0	0	0	0	0	0	207,300
2.8	Support costs for Cooperating IA (Germany) (US \$)	0	0	26,949	0	0	0	0	0	0	26,949
3.1	Total agreed funding (US \$)	4,628,993	0	3,078,550	0	2,011,620	0	935,200	0	300,500	10,954,863
3.2	Total support costs (US \$)	335,410	0	241,766	0	153,677	0	74,370	0	26,255	831,478
3.3	Total agreed costs (US \$)	4,964,403	0	3,320,316	0	2,165,297	0	1,009,570	0	326,755	11,786,341

4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)	70.53
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)	6.13
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)	163.53
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 the previous stage (ODP tonnes)	0
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)	0.11
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)	33.92**
4.3.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)	95.69
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)	0
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)	16.36
4.4.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)	0
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)	0
4.5.1	Total phase-out of HCFC-141b in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)	26.16
4.5.2	Phase-out of HCFC-141b in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)	72.18
4.5.3	Remaining eligible consumption for HCFC-141b in imported pre-blended polyols(ODP tonnes)	0

\* Maximum allowable total consumption of Annex C, Group I substances would be further reduced by no more than 10 ODP tonnes upon approval of a domestic air-conditioning sector plan as part of stage II

\*\* Including the phase-out of 4.4 ODP tonnes approved at the 76<sup>th</sup> meeting and herewith subsumed into this Agreement.

Note: Date of completion of stage I as per stage I Agreement: 31 December 2019.

### APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at 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 Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since 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 the amount of ODS phased 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 Tranche 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;
- (b) An independent verification report of the Plan results and the consumption of the Substances, 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 during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and 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 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 Tranche Implementation Reports and Plans, submitted through an online database; and
  - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
  - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

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

1. The National Ozone Unit (NOU) is an integral part of the Ministry of State for Environmental Affairs under the direct responsibility of the Egyptian Environmental Affairs Agency (EEAA). The NOU will continue to have general responsibility for the implementation of the ODS programmes, including the HPMP. Under the direct supervision of the NOU, a Project Management Unit will be established within the NOU.
2. The monitoring process will be managed by the NOU in close cooperation with relevant authorities with the assistance of the Lead IA and the Cooperating IAs.
3. The consumption will be monitored and determined based on official import and export data for the Substances recorded by relevant Government departments. The NOU shall compile and report on an annual basis on or before the relevant due dates on consumption of the Substances to be submitted to the Ozone Secretariat and on progress of implementation of HPMP to be submitted to the Executive Committee.
4. The NOU 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; it shall prepare and submit to the NOU 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 upon incorporating the comments and explanations as may be applicable, from NOU, Lead IA and the Cooperating IAs, the evaluating entity shall finalize the report and submit to the NOU and Lead IA.

6. The NOU 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 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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IAs;
  - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
  - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (h) Carrying out required supervision missions;
  - (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
  - (j) Co-ordinating the activities of the Cooperating IAs, and ensuring appropriate sequence of activities;
  - (k) 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 the Lead IA and each Cooperating IA;
  - (l) Ensuring that disbursements made to the Country are based on the use of the indicators;

- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IAs on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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 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;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

#### **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 \$144 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, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex XV

### AGREEMENT BETWEEN THE GOVERNMENT OF CHINA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

#### Purpose

1. This Agreement represents the understanding of the Government of China (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 11,772 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedule, including the total phase-out of HCFCs in the extruded polystyrene (XPS) foam, polyurethane (PU) foam, and solvent sectors by 2026, and noting that the national HCFC consumption target, as well as the targets for the industrial and commercial refrigeration and air conditioning (ICR) sector and the room air-conditioning manufacturing and heat pump water heaters (HPWH) (RAC) sector for the period 2021 to 2026 would be determined when stage III of the HCFC phase-out management plan (HPMP) is submitted.

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 consumption eligible for funding).

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 stage II of the HPMP approved (“the Plan”) and its sector plans. 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.

#### Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when 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) That 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 since the year in which this Agreement was approved;
- (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That, for sector plans with activities that include the conversion of manufacturing capacity, the Country had submitted an independent verification report of a random sample of at least five per cent of the manufacturing lines which had completed their conversion in the year to be verified, on the understanding that the total aggregated HCFC consumption of the random sample of the manufacturing lines represents at least 10 per cent of the sector consumption phased out in that year;
- (d) That the Country had submitted a Tranche Implementation Report 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; and
- (e) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A (“Format for 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.

### **Monitoring**

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement, and will also continue to maintain and operate a system to monitor the consumption in the different sectors to ensure compliance with the sector consumption limits set out in rows 1.3.1, 1.3.2, 1.3.3, 1.3.4 and 1.3.5 of Appendix 2-A. 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 Plans in accordance with their roles and responsibilities set out in the same appendix. This monitoring will also be subject to independent verification as described in sub-paragraph 5(c) above.

### **Flexibility in the reallocation of funds**

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(e) above, or as a revision to an existing Tranche Implementation Plan to be submitted at least *twelve weeks* in advance 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;
  - (iv) Provision of funding for activities not included in the current approved Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 20 per cent of the total cost of the last approved tranche, or US \$2.5 million, whichever is lower; and

- (v) Changes in alternative technologies already selected, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) 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 subsequent Tranche Implementation Report;
- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan;
- (d) The Country commits to examining the possibility of using pre-blended systems with low-global warming potential (GWP) blowing agents instead of blending them in-house, for those foam enterprises covered under the Plan, should this be technically viable, economically feasible and acceptable to the enterprises;
- (e) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations, standards and incentives adequate provisions that encourage introduction of such alternatives; and 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 in tranche implementation reports; and
- (f) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

### **Considerations for the refrigeration servicing sector**

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, 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 relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

### **Bilateral and implementing agencies**

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"); UNDP, UNIDO,

United Nations Environment Programme (UN Environment) and the World Bank have agreed to be the sector lead implementing agencies (“Sector Lead IAs”) under the overall lead of the Lead IA for ICR and solvent, XPS foam and RAC, service sector and enabling programme, and the PU foam sectors, respectively; and the Government of Germany, the Government of Italy, the Government of Japan have agreed to be cooperating implementing agencies (the “Cooperating IAs”) under the lead of the Sector Lead and 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, Sector Lead IAs, and/or Cooperating IAs.

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 roles of the Lead IA, Sector Lead IAs, and Cooperating IAs are contained in Appendix 6-A, Appendix 6-B and Appendix 6-D, respectively. The Executive Committee agrees, in principle, to provide the Lead IA, Sector Lead IAs, and the Cooperating IAs with the fees set out in rows 2.1.2, 2.2.2, 2.2.4, 2.3.2, 2.4.2, 2.4.4, 2.5.2, 2.5.4, 2.5.6, and 2.6.2 of Appendix 2-A.

### **Non-compliance with the Agreement**

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 and, starting in 2019, rows 1.3.1, 1.3.2, 1.3.3, 1.3.4, or 1.3.5 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. The Country would not be double-penalized through both an aggregate and a sector-specific penalty. 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 decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding 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 decisions 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, Sector Lead IAs, and the Cooperating IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA, Sector Lead IAs, and the Cooperating IAs with access to the information necessary to verify compliance with this Agreement.

### **Date of completion**

14. The completion of the Plan and the associated Agreement will take place at the end of 2027. The completion of each sector plan will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified for the sector in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(e) and paragraph 7, the completion of the Plan or sector plan will be delayed until the end of the year following the implementation of the remaining activities upon approval by the Executive Committee. The reporting

requirements as per sub-paragraphs 1(a) to 1(f) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

### Validity

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 Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	11,495.31
HCFC-123	C	I	10.13
HCFC-124	C	I	3.07
HCFC-141b	C	I	5,885.18
HCFC-142b	C	I	1,470.53
HCFC-225	C	I	1.22
<b>Total</b>	<b>C</b>	<b>I</b>	<b>18,865.44</b>

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

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
<b>Consumption targets</b>													
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	17,342.1	17,342.1	17,342.1	17,342.1	12,524.9	12,524.9	12,524.9	12,524.9	12,524.9	6,262.4	6,262.4	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	16,978.9	16,978.9	15,048.1	15,048.1	11,772.0	*	*	*	*	*	*	n/a
1.3.1	Maximum allowable consumption of Annex C, Group I substances in the ICR sector (ODP tonnes)	2,162.5	2,162.5	2,042.4	2,042.4	1,609.9	1,609.9	**	**	**	**	**	n/a
1.3.2	Maximum allowable consumption of Annex C, Group I substances in the XPS foam sector (ODP tonnes)	2,286.0	2,286.0	2,032.0	2,032.0	1,397.0	1,397.0	1,397.0	762.0	762.0	165.0	0.0	n/a
1.3.3	Maximum allowable consumption of Annex C, Group I substances in the PU foam sector (ODP tonnes)	4,449.6	4,449.6	3,774.5	3,774.5	2,965.7	2,965.7	2,965.7	1,078.4	1,078.4	330.0	0.0	n/a
1.3.4	Maximum allowable consumption of Annex C, Group I substances in the RAC sector (ODP tonnes)	3,697.7	3,697.7	2,876.0	2,876.0	2,259.7	2,259.7	***	***	***	***	***	n/a

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
1.3.5	Maximum allowable consumption of Annex C, Group I substances in the solvent sector	455.2	455.2	395.4	395.4	321.2	321.2	321.2	148.3	148.3	55.0	0.0	n/a
<b>Funding industrial and commercial refrigeration and air conditioning (ICR) sector plan</b>													
2.1.1	Sector Lead IA (UNDP) agreed funding (US \$)	13,368,756	20,000,000	12,000,000	16,000,000	16,000,000	11,776,041	-	-	-	-	-	89,144,797
2.1.2	Support costs for UNDP (US \$)	935,813	1,300,000	780,000	1,040,000	1,040,000	765,443	-	-	-	-	-	5,861,256
<b>Funding extruded polystyrene (XPS) foam sector plan</b>													
2.2.1	Sector Lead IA (UNIDO) agreed funding (US \$)	7,514,867	8,732,614	8,000,000	9,243,486	9,600,000	14,788,765	11,400,000	11,300,000	9,550,000	9,600,000	11,971,763	111,701,495
2.2.2	Support costs for UNIDO (US \$)	526,041	567,620	520,000	600,827	624,000	961,270	741,000	734,500	620,750	624,000	778,165	7,298,172
2.2.3	Sector cooperating agency (Germany) agreed funding (US \$)	-	267,386	-	356,514	-	211,235	-	-	250,000	-	-	1,085,135
2.2.4	Support costs for Germany (US \$)	-	31,877	-	42,502	-	25,183	-	-	29,804	-	-	129,365
<b>Funding polyurethane (PU) foam sector plan</b>													
2.3.1	Sector Lead IA (World Bank) agreed funding (US \$)	7,045,027	10,600,000	9,500,000	12,700,000	12,700,000	20,000,000	15,700,000	15,600,000	10,500,000	13,100,000	14,026,183	141,471,210
2.3.2	Support costs for World Bank (US \$)	493,152	689,000	617,500	825,500	825,500	1,300,000	1,020,500	1,014,000	682,500	851,500	911,702	9,230,854
<b>Funding room air conditioning (RAC) sector plan</b>													
2.4.1	Sector Lead IA (UNIDO) agreed funding (US \$)	14,671,089	16,000,000	18,000,000	14,000,000	14,000,000	11,581,816	-	-	-	-	-	88,252,905
2.4.2	Support costs for UNIDO (US \$)	1,026,976	1,040,000	1,170,000	910,000	910,000	752,818	-	-	-	-	-	5,809,794
2.4.3	Sector cooperating agency (Italy) agreed funding (US \$)	891,892	-	-	-	-	-	-	-	-	-	-	891,892
2.4.4	Support costs for Italy (US \$)	108,108	-	-	-	-	-	-	-	-	-	-	108,108

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
<b>Funding service sector plan, including enabling programme</b>													
2.5.1	Sector Lead IA (UN Environment) agreed funding (US \$)	3,299,132	2,570,000	3,270,000	3,370,000	3,570,000	2,810,868	-	-	-	-	-	18,890,000
2.5.2	Support costs for UN Environment (US \$)	364,651	284,061	361,431	372,484	394,590	310,684	-	-	-	-	-	2,087,900
2.5.3	Sector cooperating agency (Germany) agreed funding (US \$)	300,000	-	300,000	200,000	-	200,000	-	-	-	-	-	1,000,000
2.5.4	Support costs for Germany (US \$)	36,000	-	36,000	24,000	-	24,000	-	-	-	-	-	120,000
2.5.5	Sector cooperating agency (Japan) agreed funding (US \$)	80,000	80,000	80,000	80,000	80,000	-	-	-	-	-	-	400,000
2.5.6	Support costs for Japan (US \$)	10,400	10,400	10,400	10,400	10,400	-	-	-	-	-	-	52,000
<b>Funding solvent sector plan</b>													
2.6.1	Overall Lead IA (UNDP) agreed funding (US \$)	2,821,937	3,777,190	2,959,930	3,229,030	3,601,083	7,888,921	7,128,589	3,664,360	5,481,592	2,707,880	4,002,054	47,262,566
2.6.2	Support costs for UNDP (US \$)	197,536	245,517	192,396	209,887	234,070	512,780	463,358	238,183	356,304	176,012	260,134	3,086,177
<b>Overall funding</b>													
3.1	Total agreed funding (US \$)	49,992,700	62,027,190	54,109,930	59,179,030	59,551,083	69,257,646	34,228,589	30,564,360	25,781,592	25,407,880	30,000,000	500,100,000
3.2	Total support cost (US \$)	3,698,676	4,168,474	3,687,727	4,035,600	4,038,560	4,652,176	2,224,858	1,986,683	1,689,357	1,651,512	1,950,000	33,783,625
3.3	Total agreed costs (US \$)	53,691,376	66,195,664	57,797,657	63,214,630	63,589,643	73,909,822	36,453,447	32,551,043	27,470,949	27,059,392	31,950,000	533,883,625

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
<b>Phase-out and remaining eligible consumption</b>													
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)												3,878.80
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)												1,479.72
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												6,136.79
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)												2.70
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)												7.43
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 for HCFC-124 (ODP tonnes)												3.07
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)												4,187.18****
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)												1,698.00
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)												0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)												646.02
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)												267.47
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)												557.04
4.6.1	Total phase-out of HCFC-225 agreed to be achieved under this Agreement (ODP tonnes)												1.13
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 for HCFC-225 (ODP tonnes)												0.09

\* Maximum allowable total consumption of Annex C, Group I substances for the period 2021 to 2026 would be determined at a later date, but would in no case be greater than 11,772 ODP tonnes prior to 2025, and no greater than 6,131 ODP tonnes thereafter.

\*\* Maximum allowable total consumption of Annex C, Group I substances in the ICR sector for the period 2021 to 2026 would be determined later, but would in no case be greater than 1,609.9 ODP tonnes prior to 2025, and no greater than 781 ODP tonnes thereafter.

\*\*\* Maximum allowable total consumption of Annex C, Group I substances in the RAC sector for the period 2021 to 2026 would be determined later, but would in no case be greater than 2,259.7 ODP tonnes prior to 2025, and no greater than 1,335 ODP tonnes thereafter.

\*\*\*\* In accordance with decision 68/42(b), includes 137.83 ODP tonnes of HCFC-141b contained in exported pre-blended polyols.

Note: Date of completion of stage I as per stage I Agreement: 31 December 2019.

### 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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plans for each sector tranche request will consist of the following parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since 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 amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives; the amount of co-funding provided by the Country for the HCFC reductions; 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; information on and justification for any changes vis-à-vis the previously submitted Tranche 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;
- (b) An independent verification report of the consumption of the Substances, 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) For sector plans with activities that include the conversion of manufacturing capacity, an independent verification report as per sub-paragraph 5(c) of the Agreement, including a random sample of at least five per cent of the manufacturing lines which had completed their conversion in the year to be verified, and specifying at a minimum the following information: name of the enterprises; level of the Substance consumption prior to conversion; the alternative technology that has been introduced including the alternative Substance consumption level; the manufacturing capacity and actual production level before and after conversion; and the detailed incremental cost of the conversion;
- (d) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, any possible changes to the overall Plan that are foreseen, taking into account experiences made and progress achieved in the implementation of earlier tranches;
- (e) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (f) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(e).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and

- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

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

1. The Foreign Economic Cooperation Office/Ministry of Environmental Protection (FECO/MEP), as the National Ozone Unit, is responsible for the following:

- (a) Co-ordinating the overall implementation of activities to be undertaken with assistance of the Lead IA, Sector Lead IAs and other Cooperating IAs;
- (b) Developing and implementing national policies and legislations on the control of ODS;
- (c) Monitoring national consumption based on production data and official import and export data for the Substances recorded by relevant government departments in line with sub-paragraph 5(b) of this Agreement;
- (d) Supervising implementation of the national system of licensing and quotas for HCFC imports, production and exports, the quota system covering enterprises using large quantities of HCFC in the different consumption sectors, where applicable, and collect the consumption data to control the consumption growth and achieve reduction of HCFC consumption in those enterprises, where applicable;
- (e) Managing consumption in those sectors with large amounts of small and medium-sized (SMEs) enterprises (e.g., XPS and PU foam, ICR, and solvent sectors), by limiting the quantities of the relevant substances to be sold to the domestic market;
- (f) Supervising enterprises carrying out the conversion activities to ensure the phase-out target in those enterprises had been achieved; and
- (g) Co-ordinate with Lead IA, Sector Lead IAs, and Cooperating IAs to facilitate the verification of the sector targets set in the Agreement and in the preparation of reports according to sub-paragraph 5(d) and Appendix 4-A of this Agreement.

#### **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 and submission of the Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;

- (d) Fulfilling the reporting requirements for the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
- (e) 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(d) and 1(e) of Appendix 4-A;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, co-ordinate with the responsible Sector Lead IA to ensure that annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan are submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out the required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) With the Country, co-ordinating the activities of the Sector Lead IAs and Cooperating IAs, and ensuring appropriate sequence of activities;
- (k) 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 Sector Lead IAs and the Cooperating IAs, the allocation of the reductions to the different sectors and budget items and to the funding of the Sector Lead IAs and each Cooperating IA;
- (l) Providing assistance with policy, management and technical support when required;
- (m) Reaching consensus with the Sector Lead IAs and Cooperating IAs on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (n) Co-ordinating the annual financial audit of the income received from the implementing agencies, the disbursements by FECO/MEP to final beneficiaries, and the interest amount earned by FECO/MEP on the balances held by FECO/MEP.

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 as per sub-paragraphs 5(c) of the Agreement and sub-paragraph 1(c) of Appendix 4-A. The Lead IA can delegate the task described in this paragraph to the respective Sector Lead IA on the understanding that such delegation will not interfere with the Lead IA's responsibility to carry out the verification of the HPMP results.

#### **APPENDIX 6-B: ROLE OF THE SECTOR LEAD IAs**

1. The Sector Lead IAs will be responsible for a range of activities described in their corresponding sector plan, including at least the following:

- (a) Providing assistance for policy development, planning and management of sector programming as set out in the sector plans, when required;

- (b) Ensuring verification of sector performance targets in line with paragraph 5(c) and progress of disbursement in accordance with this Agreement and with its specific internal procedures and requirements as set out in the relevant sectors and assisting the Country in the implementation and assessment of the activities;
- (c) Fulfilling the reporting requirements for the sector Tranche Implementation Reports and Plans as specified in Appendix 4-A for submission to the Executive Committee and, where relevant, including the activities implemented by the Cooperating IAs;
- (d) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (e) Carrying out required supervision missions;
- (f) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (g) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (h) Where relevant, reaching consensus with the Cooperating IAs on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan;
- (i) Timely releasing funds to the Country/participating enterprises for completing the activities related to the sector; and
- (j) Ensuring financial verification of the activities implemented.

#### **APPENDIX 6-C: ROLE OF THE WORLD BANK IN THE VERIFICATION OF CONSUMPTION**

1. In addition to its role as the Implementing Agency of the China HCFC Production Phase-out Management Plan, after consultation with the Country and taking into account any views expressed, the World Bank will select and mandate an independent entity to carry out the verification of the consumption of the Country as specified in row 1.2 of Appendix 2-A, as per sub-paragraph 5(b) of this Agreement and sub-paragraph 1(b) of Appendix 4-A.

#### **APPENDIX 6-D: ROLE OF THE COOPERATING IAs**

1. The Cooperating IAs will be responsible for a range of activities described in each sector plan, including at least the following:

- (a) Providing assistance for policy development, planning and management of the sector programming as set out in the respective sector plan, when required;
- (b) Assisting the Country in the implementation and assessment of the activities, and referring to the Sector Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Sector Lead IA on these activities as per Appendix 4-A;

- (d) Reaching consensus with the Sector Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (e) Ensuring financial verification of the activities implemented.

#### **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 \$115 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, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. Starting for the consumption in 2019, the amount of funding provided may be reduced by US \$115 per ODP kg of consumption beyond the level defined in rows 1.3.1, 1.3.2, 1.3.3, 1.3.4, or 1.3.5 of Appendix 2-A for each year in which the target specified in rows 1.3.1, 1.3.2, 1.3.3, 1.3.4, or 1.3.5 of Appendix 2-A has not been met, on the understanding that compliance with the targets defined in rows 1.3.1, 1.3.2, 1.3.3, 1.3.4, and 1.3.5 would be assessed based on existing sectoral reporting arrangements under the progress report on the implementation of the country programme and Tranche Implementation Report and Plans, and would not be independently verified.

3. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

#### **APPENDIX 8-A: SECTOR SPECIFIC ARRANGEMENTS**

- 1. During stage II of the HPMP for the RAC sector, the Country agrees to convert at least:
  - (a) Twenty manufacturing lines for the production of RAC equipment to HC-290;
  - (b) Three compressor manufacturing lines to HC-290;
  - (c) Three residential HPWH manufacturing lines to HC-290; and
  - (d) Two residential HPWH manufacturing lines to R-744;
- 2. During stage II of the HPMP for the ICR sector, the Country agrees:
  - (a) That a maximum quantity of 3,150 metric tonnes (mt) in the unitary air-conditioning (UAC) sub-sector could be converted to HFC-32;
  - (b) That the Country would have flexibility in the UAC sub-sector to convert to alternatives with a lower GWP than HFC-32 as long as the cost and tonnage to be phased out remained the same;

- (c) That the Country would have flexibility to convert industrial and commercial HPWH lines to HFC-32 on the understanding that UAC and industrial and commercial HPWH conversions to HFC-32 combined would not exceed 3,150 mt;
- (d) That at least 20 per cent of the total phase-out of HCFC-22 in the ICR sector would be from the conversion of SMEs (i.e. those consuming 50 mt or less); and
- (e) That, in sectors other than the UAC sub-sector, the Country would have flexibility to select from among the six low-GWP technologies identified in Table 8 of the ICR sector of document UNEP/OzL.Pro/ExCom/76/25, excluding HFC-32, and would make best efforts to ensure that the tonnage remained within 30 per cent of the amount specified for each technology in that table, at no additional cost to the Multilateral Fund, and that any deviation from that range would be reported to the Executive Committee for its consideration.

## Annex XVI

### **REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF MEXICO 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 Mexico 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 746.72 ODP tonnes by 1 January 2018 in compliance with Montreal Protocol schedule.
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, 4.4.3 and 4.5.3 (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 an annual implementation plan in the form of Appendix 4-A (“Format of 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;
- (c) 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;
- (d) 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; and
- (e) Any remaining funds will be returned to the Multilateral Fund.

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 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 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). 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 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 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 revised updated Agreement supersedes the Agreement reached between the Government of Mexico and the Executive Committee at the 73<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	392.8
HCFC-141b	C	I	803.9
HCFC-142b	C	I	10.9
HCFC-123	C	I	0.3
HCFC-124	C	I	0.1
Total	C	I	1,208.0

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

Row	Particulars	2009	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	n/a	1,148.8	1,148.8	1,033.9	1,033.9	1,033.9	1,033.9	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	1,148.8	1,148.8	1,033.9	1,033.9	1,033.9	746.72	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	0	2,792,526	695,011	578,341	120,000	226,317	0	0	0	4,412,195
2.2	Support costs for Lead IA (US \$)	0	209,439	52,126	43,376	9,000	16,974	0	0	0	330,915
2.3	Cooperating IA (UNDP) agreed funding (US \$)	2,428,987	2,502,526	3,800,000	3,800,000	0	1,122,503	0	0	0	13,654,016
2.4	Support costs for Cooperating IA (US \$)	182,174	187,689	285,000	285,000	0	84,188	0	0	0	1,024,051
3.1	Total agreed funding (US \$)	2,428,987	5,295,052	4,495,011	4,378,341	120,000	1,348,820	0	0	0	18,066,211
3.2	Total support costs (US \$)	182,174	397,128	337,126	328,376	9,000	101,162	0	0	0	1,354,966
3.3	Total agreed costs (US \$)	2,611,161*	5,692,180**	4,832,137	4,706,717	129,000	1,449,982	0	0	0	19,421,177
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										4.7
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)*										20.1
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										368.0
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										345.8
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)**										46.7
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										411.4
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)										10.9
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)										0.0
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)										0.0
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)										0.0
4.4.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)										0.0
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)										0.3
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)										0.0
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)										0.0
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)										0.1

\* Approved at the 59<sup>th</sup> meeting for UNDP for Mabe.

\*\* US \$559,985 approved at the 63rd meeting for UNIDO for Silimex.

### **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 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 Ministry of the Environment and Natural Resources (SEMARNAT) is in charge of the protection, restoration and conservation of all ecosystems, natural resources and environmental services in order to promote a sustainable development. It is also responsible for carrying out national policies regarding climate change and ozone layer protection. The National Ozone Unit (under SEMARNAT) monitors the consumption and production of all ozone depleting substances (ODS) through regional teams. Inspections at converted companies to non-ODS technologies are foreseen to ensure the non uses of ODS after project completion.
2. The Government of Mexico has offered and intends to offer continuity of activities and endorsement for the projects through the institutional support over the next years. This will guarantee the success of any activity approved for Mexico.
3. Close monitoring of all activities and coordination between stakeholders is an essential element of the HPMP and key to reach compliance. There will be regular coordination meetings with industry stakeholders, HCFC importers, Government stakeholders (i.e., Ministries of Economy, Energy and Health), various industrial associations, and all sectors involved, in order to enact the necessary agreements and measures to carry out the investment and non-investment activities on time and in a coordinated manner. In the manufacturing sector the implementation process and the achievement of the phase-out will be monitored through site visits at enterprise level.
4. Yearly monitoring will be carried out through the ODS licensing and quota system. Verification site visits will be undertaken by independent international experts.

## **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 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 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 THE COOPERATING IMPLEMENTING AGENCY**

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan 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 \$87 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.

## Annex XVII

### **REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF MEXICO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

1. This Agreement represents the understanding of the Government of Mexico (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 373.36 ODP tonnes by 1 January 2022 in compliance with Montreal Protocol schedule.

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 and 4.5.3 (remaining consumption eligible for funding).

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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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 has 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 there are no due country programme implementation reports 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 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; and

- (d) That the Country has submitted a Tranche 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 Tranche 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 a Tranche Implementation Plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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 Tranche Implementation Plan, or removal of an activity in the Tranche 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 Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Should the Country decide during implementation of the Agreement to introduce an alternative technology other than that proposed in the Plan, this would require approval by the Executive Committee as part of a Tranche 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 Plan 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 Tranche Implementation Plan; and

- (e) Any remaining funds held by the implementing agencies or the country under the Plan 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 included in the Plan, 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 relevant bilateral and/or implementing agencies will take into consideration decision 72/41 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 the Government of Germany, the Government of Italy, UNEP and the Government of Spain 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 the Lead IA and/or Cooperating IAs 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 co-ordination 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, 2.6, 2.8 and 2.10 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 the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan 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 revised Updated Agreement supersedes the Agreement reached between the Government of Mexico and the Executive Committee at the 77<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	392.8
HCFC-141b	C	I	803.9
HCFC-142b	C	I	10.9
HCFC-123	C	I	0.3
HCFC-124	C	I	0.1
Total	C	I	1,208

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

Row	Particulars	2014	2015	2016	2018	2020	2022	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1,148.80	1,033.92	1,033.92	1,033.92	746.72	746.72	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1,148.80	1,033.92	1,033.92	746.72	574.40	373.36	n/a	
2.1	Lead IA (UNIDO) agreed funding (US \$)	2,404,412	0	1,165,509	2,139,719	1,612,350	450,600	7,772,590	
2.2	Support costs for Lead IA (US \$)	168,309	0	81,586	149,780	112,865	31,542	544,082	
2.3	Cooperating IA (Germany) agreed funding (US \$)	325,000	0	325,000	0	0	0	650,000	
2.4	Support costs for Cooperating IA (US \$)	40,750	0	40,750	0	0	0	81,500	
2.5	Cooperating IA (Italy) agreed funding (US \$)	458,191	0	0	0	0	0	458,191	
2.6	Support costs for Cooperating IA (US \$)	59,565	0	0	0	0	0	59,565	
2.7	Cooperating IA (UNEP) agreed funding (US \$)	0	0	40,000	0	40,000	0	80,000	
2.8	Support costs for Cooperating IA (US \$)	0	0	5,200	0	5,200	0	10,400	
2.9	Cooperating IA (Spain) agreed funding (US \$)	0	0	1,056,991	1,070,000	0	0	2,126,991	
2.10	Support costs for Cooperating IA (US \$)	0	0	121,238	122,731	0	0	243,969	
3.1	Total agreed funding (US \$)	3,187,603	0	2,587,500	3,209,719	1,652,350	450,600	11,087,772	
3.2	Total support costs (US \$)	268,624	0	248,774	272,511	118,065	31,542	939,516	
3.3	Total agreed costs (US \$)	3,456,227	0	2,836,274	3,482,230	1,770,415	482,142	12,027,288	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								105.5
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								24.8
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								262.5
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								411.4
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								392.5
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.0
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								0.0
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)								10.9
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.0
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)								0.0
4.4.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)								0.0
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								0.3
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0.0
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)								0.0
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0.1

**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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plans 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 Tranche 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) An independent verification report of the Plan 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 Tranche Implementation Reports and 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 Tranche 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).

2. In the event that in a particular year more than one stage of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Implementation Report and Plans:

- (a) The Implementation Report and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets in a particular year, the lower HCFC consumption target will be used as reference for compliance with the HPMP Agreements and for the independent verification.

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

1. The Ministry of the Environment and Natural Resources (SEMARNAT) is in charge of the protection, restoration and conservation of all ecosystems, natural resources and environmental services in order to promote a sustainable development. It is also responsible for carrying out national policies regarding climate change and ozone layer protection. The National Ozone Unit (under SEMARNAT) monitors the consumption and production of all ozone depleting substances (ODS) through regional teams. Inspections at converted companies to non-ODS technologies are foreseen to ensure the non uses of ODS after project completion.

2. The Government of Mexico has offered and intends to offer continuity of activities and endorsement for the projects over the next years as specified in the institutional support component and the list of activities of the institutional strengthening project. This will guarantee the success of any activity approved for Mexico.

3. Close monitoring of all activities and coordination between stakeholders is an essential element of the HPMP and key to reach compliance. There will be regular coordination meetings with industry stakeholders, HCFC importers, Government stakeholders (i.e., Ministries of Economy, Energy and Health), various industrial associations, and all sectors involved, in order to enact the necessary agreements and measures to carry out the investment and non-investment activities on time and in a coordinated manner. In the manufacturing sector the implementation process and the achievement of the phase-out will be monitored through site visits at enterprise level.

4. Yearly monitoring will be carried out through the ODS licensing and quota system. Verification site visits will be undertaken by independent international experts.

#### **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and 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 Tranche 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 the Lead IA and each Cooperating 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 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 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 \$134 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. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors related to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

**Annex XVIII**

**REVISED FORMAT FOR REPORTING ADMINISTRATIVE COSTS**

1. The following table lists the elements of the core unit and implementation that constitute the overall administrative cost.

<b>Description<sup>1</sup></b>	<b>Budget/cost<sup>2</sup>(US\$)</b>	<b>Explanation<sup>3</sup></b>
<b>A. Core unit</b>		
Core unit personnel and contractual staff		
Travel (staff and consultant)		
Space (rent and common costs)		
Equipment supplies and other costs (computers, supplies, etc.)		
Contractual services (firms)		
Reimbursement of central services for core unit staff		
Adjustments(+ = underuse and - = overrun)		
Return of funds (- = returned funds)		
<b>A. Sub-total core unit costs</b>		
<b>B. Agency fee/implementation</b>		
Reimbursement of country offices and national execution, including overheads		
Executing agency support cost (internal), including overheads		
Financial intermediaries, including overheads		
Reimbursement of central services for core unit staff (including overhead)		
Cost recovery		
Adjustments(+= overrun and - = underuse)		
Project costs (- = to be deducted and thus removed)		
<b>B. Sub-total agency fee/implementation costs</b>		
<b>Grand total (A + B)</b>		

<sup>1</sup> Indicate any change in methodology for reporting costs

<sup>2</sup> The format will continue to provide budget for previous year (e.g. 2016) and actual costs, budget for current year (e.g. 2017) and estimated costs and planned budget for next year (e.g. 2018).

<sup>3</sup> Clarify any change in budgets or estimated costs

2. The following is a list of indicative activities and/or tasks admissible for administrative costs.

**Core activities**

- Distil and distribute information on the Multilateral Fund (MLF) programme, policies and procedures to field offices and/or operational staff
- Distribute information on the MLF's programme to partners
- Submit and follow-up with the Fund Secretariat and Executive Committee on project proposals to the Executive Committee for approval
- Coordinate each agency's efforts with the Fund Secretariat and internally with operational teams
- Monitor the status and annual progress reports of project implementation
- Prepare annual business plans based on communications with national governments and operational staff about sector needs and priorities
- Follow up on implementation status, including country visits as necessary
- Provide input to the Fund Secretariat, Executive Committee, and Ozone Secretariat with policy briefs, papers and responses
- Participate in meetings sponsored by the Executive Committee, and the Fund Secretariat, as well as the Ozone Secretariat and other implementing agencies such as ozone officers' network meetings
- Prepare project proposals, and obtain project preparation budgets for larger projects
- Market the Montreal Protocol and prospect for new projects, including attending Montreal Protocol-relevant technology conferences
- Collect, review and pre-qualify applications
- Report to the Executive Committee and the Fund Secretariat on the project cycle (delays, balances, reconciliation, project completion reports, etc.)
- Undertake knowledge management and outreach, including through workshops, website, publications, briefings
- Participate in the work of an international technical expert panel, including attending, meetings and preparing reports
- Adhere to internal processes, including core staff training, and evaluations, and attend, for example, management and corporate meetings

**Implementation activities**

- Supervise preparation of independent national verification reports, including for individual HCFC phase-out management plans for consumption and production activities
- Support and complete the preparation of tranche requests and progress reports
- Engage with governments and establish legal agreements in accordance with the implementing agency (IA) project cycle and related policies and procedures (from IA-country concept through completion and evaluation)
- Prepare implementation agreements and terms of reference for subcontractors
- Mobilize implementation teams (executing agencies and consultants) for approved projects using appropriate bidding and evaluation mechanisms
- Process contractual and accounting documents associated with approved projects
- Coordinate data collection and management
- Report on results of projects and the programme (preparing agency project completion reports and contributing to and finalizing MLF project completion reports)
- Adhere to internal operational processes, including implementation support to the project, organizing and participating in regular supervision missions, and reporting on project status; and attend, for example, management meetings
- Implement the Compliance Assistance Programme