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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Eighty-second Meeting  
Montreal, 3-7 December 2018

**PROJECT PROPOSALS: INDIA**

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

Phase-out

- HCFC phase-out management plan (stage I, final progress report) UNDP/UNEP/Germany
- HCFC phase-out management plan (stage II, second tranche) UNDP/UNEP/Germany

Stage I of the HPMP for India (final progress report) (UNDP/UNEP/the Government of Germany)**Background**

1. On behalf of the Government of India, UNDP as the lead implementing agency, has submitted the final progress report on the implementation of the work programme associated with the third and final tranche of stage I of the HCFC phase-out management plan (HPMP)<sup>1</sup> in line with decision 75/29(a).

2. Stage I was operationally completed by 31 December 2017, and project completion report (PCR) was submitted on 27 September 2018. The financial completion of the project is expected by 31 December 2018.

HCFC consumption

3. The Government of India reported a consumption of 806.49 ODP tonnes of HCFC in 2017, which is 50 per cent below the HCFC baseline for compliance. The 2013-2017 HCFC consumption is shown in Table 1.

**Table 1. HCFC consumption in India (2013-2017 Article 7 data)**

HCFC	2013	2014	2015	2016	2017	Baseline
<b>Metric tonnes</b>						
HCFC-22	8,029.44	8,050.09	11,777.72	10,884.29	9,376.95	10,944.7
HCFC-123	196.95	180.82	174.87	373.53	253.47	176.5
HCFC-124	0.00	0.00	0.00	0.00	0.00	611.82
HCFC-141b	4,568.22	4,112.56	3,028.00	3,638.02	2,526.25	7,868.4
HCFC-142b	428.94	120.32	126.00	126.00	120.00	1,903.0
<b>Total (mt)</b>	<b>13,223.55</b>	<b>12,463.79</b>	<b>15,106.59</b>	<b>15,021.85</b>	<b>12,276.67</b>	<b>21,504.5</b>
<b>ODP tonnes</b>						
HCFC-22	441.62	442.76	647.77	598.64	515.73	602.0
HCFC-123	3.94	3.62	3.50	7.47	5.07	3.5
HCFC-124	0.00	0.00	0.00	0.00	0.00	13.5
HCFC-141b	502.50	452.38	333.08	400.18	277.89	865.5
HCFC-142b	27.88	7.82	8.19	8.19	7.80	123.7
<b>Total (ODP tonnes)</b>	<b>975.94</b>	<b>906.57</b>	<b>992.54</b>	<b>1,014.48</b>	<b>806.49</b>	<b>1,608.2</b>

4. HCFC-22 consumption, after peaking in 2015, declined due to market forces and implementation of improved servicing practices. The sharp decrease in HCFC-141b consumption in 2017 (as compared to 2016) is due to HPMP activities in the foam sector and market forces; the remaining foam manufacturing enterprises using HCFC-141b are being addressed in stage II.

*Country programme (CP) implementation report*

5. The Government of India reported HCFC sector consumption data under the 2017 CP implementation report which is consistent with the data reported under Article 7 of the Montreal Protocol.

<sup>1</sup> The third and final tranche of stage I of the HPMP was approved at the 75<sup>th</sup> meeting at a total cost of US \$1,858,200, consisting of US \$1,438,490, plus agency support costs of US \$100,694 for UNDP, US \$86,160, plus agency support costs of US \$10,478 for UNEP, and US \$199,440, plus agency support costs of US \$22,938 for the Government of Germany.

Final report on the implementation of the third and final tranche of the HPMP*PU foam manufacturing sector*

6. All 15 foam enterprises funded under stage I (eight manufacturing insulation foam for domestic refrigeration equipment, two continuous and five discontinuous sandwich panels) converted to cyclopentane, and completed the phase-out of 269.61 ODP tonnes of HCFC-141b by 1 January 2015. In addition, one non-eligible enterprise phased out 8.36 ODP tonnes of HCFC-141b. The country has put in place a ban on the use of HCFCs, including HCFC-141b, pure and contained in pre-blended polyols, in the manufacturing of domestic refrigerators and continuous sandwich panels as of 1 January 2015.

7. In addition, technical assistance was provided to 15 systems houses that have completed the conversion and developed HCFC-free formulations based on HFO-1233zd(E), FEA-1100, methyl formate and pre-blended cyclopentane, which can be supplied to downstream PU foam enterprises subject to commercial availability. Each of the 15 systems houses assisted had demonstrated the application of the new low-GWP formulations at a minimum of two downstream small- and medium-sized enterprises (SMEs) with a consumption of at least 10.00 mt (1.10 ODP tonnes) of HCFC-141b.

*Refrigeration servicing sector and enabling activities*

8. The following activities were completed by the end of 2017: workshop to promote recovery, recycling and reclamation; additional training for staff from Defence Services and Indian Railways; additional train-the-trainers workshop at a Government Industry Training Institute; one workshop for capacity-building for training partners; development of amendments for building codes to integrate HCFC-free design and a template for amending the curriculum of architectural colleges to include ODS issues; and awareness activities.

*Level of fund disbursement*

9. As of September 2018, of the US \$21,294,490 approved, US \$20,111,086 (94 per cent) had been disbursed (US \$17,298,296 for UNDP, US \$818,390 for UNEP, and US \$1,994,400 for the Government of Germany) as shown in Table 2. Final disbursements (US \$1,140,194) to three systems houses in the PU foam sector will be made by 31 December 2018, upon submission of the verification report and supporting documents, and subject to confirmation of the adherence to all the provisions of agreements signed with systems houses.

**Table 2. Financial report of stage I of the HPMP for India**

Agency	Approved (US \$)	Disbursed (US \$)	Disbursement rate (%)
UNDP	18,438,490	17,298,296	94
UNEP	861,600	818,390*	95
Government of Germany	1,994,400	1,994,400	100
<b>Total</b>	<b>21,294,490</b>	<b>20,111,086</b>	<b>94</b>

\*US \$43,210 is the balance that has not yet been recorded in UNEP's financial system (UMOJA) due to technical issues; however, UNEP has approved all the payments for the last tranche and closed the Small Scale Funding Agreements (UNEP's implementation agreement with the Government).

**Comments**

10. Given the overlap between stages I and II of the HPMP, the Secretariat enquired how the National Ozone Unit (NOU) and UNDP ensured that funding provided under stage I for the PMU was not used for the activities under stage II. UNDP clarified that the implementation modality used by UNDP entails that funds are kept within UNDP accounts until the expenses are endorsed by the Government. Funds approved under stages I and II are managed under different project numbers at UNDP, and project budgets are kept separated and cannot be clubbed, neither through the Enterprises Resource Planning (ERP) System used by

UNDP, nor as per International Public-Sector Accounting Standards (IPSAS) Guidelines followed by UNDP.

**Recommendation**

11. The Executive Committee may wish:

- (a) To note the final progress report on the implementation of the work programme associated with the third and final tranche of stage I of the HCFC phase-out management plan (HPMP) for India, submitted by UNDP; and
- (b) To request the Government of India, UNDP, UNEP and the Government of Germany to report to the Secretariat on 31 December 2018 the final disbursement to beneficiaries and return any remaining balances of stage I of the HPMP as of the same date to the 83<sup>rd</sup> meeting.

**PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS**

**India**

<b>(I) PROJECT TITLE</b>	<b>AGENCY</b>	<b>MEETING APPROVED</b>	<b>CONTROL MEASURE</b>
HCFC phase-out plan (stage II)	UNDP (lead), UNEP, Germany	77th	60% by 2023

<b>(II) LATEST ARTICLE 7 DATA (Annex C Group I)</b>	Year: 2017	806.49 (ODP tonnes)
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<b>(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)</b>								<b>Year: 2017</b>	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22		15.47		226.92	273.34				515.73
HCFC-123			0.91		4.16				5.07
HCFC-141b	2.89	275.00							277.89
HCFC-142b		1.79			6.01				7.80

<b>(IV) CONSUMPTION DATA (ODP tonnes)</b>			
2009 - 2010 baseline:	1,608.2	Starting point for sustained aggregate reductions:	1,691.25
<b>CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)</b>			
Already approved:	1,111.26	Remaining:	579.99

<b>(V) BUSINESS PLAN</b>		<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
UNDP	ODS phase-out (ODP tonnes)	250.3	0	206.4	456.7
	Funding (US \$)	15,630,560	0	12,888,685	28,519,245
UNEP	ODS phase-out (ODP tonnes)	5.1	0	3.6	8.7
	Funding (US \$)	336,333	0	235,433	571,766
Germany	ODS phase-out (ODP tonnes)	34.3	0	1.3	35.6
	Funding (US \$)	2,223,922	0	94,386	2,318,308

<b>(VI) PROJECT DATA</b>			<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Total</b>
Montreal Protocol consumption limits			1,447.38	1,447.38	1,447.38	1,447.38	1,045.33	1,045.33	1,045.33	1,045.33	n/a
Maximum allowable consumption (ODP tonnes)			1,447.38	1,447.38	1,433.63	1,103.85	832.32	799.76	698.82	643.28	n/a
Agreed funding (US \$)	UNDP	Project costs	9,256,000	0	14,608,000	0	12,045,500	0	3,001,959	0	38,911,459
		Support costs	647,920	0	1,022,560	0	843,185	0	210,137	0	2,723,802
	UNEP	Project costs	300,000	0	300,000	0	210,000	0	90,000	0	900,000
		Support costs	36,333	0	36,333	0	25,433	0	10,900	0	108,999
	Germany	Project costs	345,000	0	2,000,000	0	1,500,000	0	1,255,000	0	5,100,000
		Support costs	38,626	0	223,922	0	167,941	0	140,511	0	571,000
Funds approved by ExCom (US \$)		Project costs	9,901,000								9,901,000
		Support costs	722,880								
Total funds requested for approval at this meeting (US \$)		Project costs			16,908,000						16,908,000
		Support costs			1,282,815						

**Secretariat's recommendation:**

For individual consideration

## PROJECT DESCRIPTION

12. On behalf of the Government of India, UNDP as the lead implementing agency, has submitted a request for funding for the second tranche of stage II of the HCFC phase-out management plan (HPMP), at a total cost of US \$18,190,815, consisting of US \$14,608,000, plus agency support costs of US \$1,022,560 for UNDP, US \$300,000, plus agency support costs of US \$36,333 for UNEP, and US \$2,000,000, plus agency support costs of US \$223,922 for the Government of Germany.<sup>2</sup> The submission includes a progress report on the implementation of the first tranche, the verification report on HCFC consumption for 2016 and 2017, and the tranche implementation plan for 2018 to 2020.

### HCFC consumption

13. As described in paragraph 3 of the present document, the Government reported HCFC consumption of 806.49 ODP tonnes in 2017, which is 44 per cent below the target established in the Agreement with the Executive Committee for 2017, and 50 per cent below the HCFC baseline for compliance.

### *Verification report*

14. The independent verification report on HCFC consumption confirmed that the Government is implementing a licensing and quota system for HCFC imports and exports and that the total consumption of HCFCs in 2016 to 2017 was 1,014.48 and 806.49 ODP tonnes, respectively. The verification concluded that India is in compliance with the targets set in its Agreement with the Executive Committee for 2016 and 2017 and has been reducing HCFCs' use in the country significantly below its targets.

15. The verification report also confirmed that the Ministry of Environment, Forests and Climate Change of India issues annual quota for production of HCFC-22 for controlled uses in order to comply with the Montreal Protocol schedule.

### Progress report on the implementation of the first tranche of the HPMP

### *Legal framework*

16. The Government confirmed its commitment to issue a ban on the import and use of HCFC-141b, pure or contained in pre-blended polyols, in all sectors, effective 1 January 2020, consistent with decision 77/43(b)(ii).

### *Air-conditioning manufacturing sector*

17. Memoranda of agreement (MoA)<sup>3</sup> have been signed with three of the six air-conditioning (AC) manufacturing enterprises identified for conversion to HFC-32 in the first tranche of stage II (Blue Star, E-Vision and M/s Leel Electricals), of which two have initiated equipment procurement process. Blue Star, E-Vision and M/s Leel Electricals have designed, respectively, 25, four and five room AC models with capacity ranging from 0.75 to 2 tonnes of refrigeration. The list of enterprises and the status of the conversion is presented in Table 3.

<sup>2</sup> As per the letter of 26 September 2018 from the Ministry of Environment, Forests and Climate Change of India to UNDP. In line with decision 81/30, flexibility was exercised in reviewing the submission 16 days after the deadline.

<sup>3</sup> UNDP's implementation modality entails that the Government of India, through NOU (Ozone Cell) establishes MoA with beneficiary enterprises, identifying duties and rights between parties, creating a performance-based implementation plan, and allowing verification of compliance at the enterprise level as well as the disbursement of funds.

**Table 3. Air-conditioning manufacturing enterprises included in stage II**

Enterprise	HCFC-22 consumption (mt)	Lines	Cost (US \$)	Status (milestones achieved*)
Blue Star	132.84	2	1,785,917	Second milestone achieved, equipment procurement initiated
E-Vision	113.00	2	1,574,300	
Leel Electricals Ltd (Lloyd Elec.)	141.43	3	1,868,372	First milestone achieved, preparing technical specification for equipment
Videocon	163.38	1	1,817,975	Eligibility verified
Voltas	529.65	1	4,303,695	
Zamil	60.00	1	1,161,200	
<b>All enterprises</b>	<b>1,140.3</b>	<b>10</b>	<b>12,511,459</b>	

\*As per MoAs in the AC sector, payments are based on the following milestones: 20 per cent upon signature of the MoA, 40 per cent upon initialization of equipment procurement, 25 per cent upon conversion of the enterprise, 15 per cent once trials and certifications are completed, and IOCs after operationalization of new technology.

#### *Foam manufacturing sector*

18. MoAs have been signed with 15 foam manufacturing enterprises consuming 918.2 mt (101 ODP tonnes) of HCFC-141b; 79 additional enterprises consuming 1,398.74 mt (153.86 ODP tonnes) of HCFC-141b have been found eligible,<sup>4</sup> and about 300 enterprises are under verification for eligibility. Details on the enterprises are presented in Table 4.

**Table 4. Foam manufacturing enterprises included in the first tranche**

Number of enterprises	HCFC-141b consumption (mt)	Cost (US \$)	Tranche	Technology	Status (milestones achieved*)
4	551.66	2,704,863	First	Hydrocarbon	First milestone achieved (MoA signed); to be converted by July 2019
11	366.54	1,735,793	Second	Hydrocarbon HFOs	
3	351.18	1,772,405	First	Hydrocarbon	Verified; MoA to be signed
76	1,047.56	6,833,513	Second	Hydrocarbon HFOs Methyl formate	
Total	2,316.94	13,046,574			
Around 300	TBC	TBC	Third		Under verification for eligibility

\*As per MoAs, payments are made based on the achievement of the following milestones: signature of the agreement, initialization of the equipment procurement, conversion of the enterprise, trials and certifications completion, and commencement of commercial production.

#### *Refrigeration servicing sector*

19. Training in good refrigeration practices and installation of room air-conditioners was provided to 62 trainers; training material for refrigeration technicians was prepared; handbooks for trainers and technicians have been revised; and a concept note for a certification scheme (“National Qualification, Certification and Compliance scheme (Q2C) for best servicing practice”) was prepared and submitted for review by stakeholders.

#### *Enabling activities*

20. The Ozone Cell has initiated consultation meetings with the National Customs Academy (NACIN), the Bureau of Indian Standards and the National Centre for Cold Chain Development (NCCD), as well as

<sup>4</sup> Six enterprises with baseline equipment established in 2007 are pending final verification of the exact date of the establishment, which will be reported with the third tranche request of stage II.



a partnership with Energy Efficiency Services Ltd (EESL), to carry out sector-based policy and awareness activities.

*Project implementation and monitoring unit (PMU)*

21. The PMU, established within the Ozone Cell, coordinates the implementation of the HPMP, facilitating communication among key stakeholders and increasing awareness on ODS issues amongst senior decision makers.

Level of fund disbursement

22. As of September 2018, of the US \$9,901,000 approved so far, US \$2,054,414 (20.7 per cent) had been disbursed, as shown in Table 5. The balance of US \$7,846,586 will be disbursed in 2019-2022.

**Table 5. Financial report of stage II of the HPMP for India (US \$)**

Agency	First tranche		Disbursement rate (%)
	Approved (US \$)	Disbursed (US \$)	
UNDP	9,256,000	1,948,424	21.1
UNEP	300,000	21,600	7.2
Government of Germany	345,000	84,390	24.5
<b>Total</b>	<b>9,901,000</b>	<b>2,054,414</b>	<b>20.7</b>

Implementation plan for the second tranche of the HPMP

23. The following activities will be implemented between January 2019 and September 2020:<sup>5</sup>
- (a) *PU foam manufacturing*: verification of eligibility and initiation of conversion of around 300 additional enterprises and advancement of conversion of 94 enterprises included in the first and second tranches (UNDP) (US \$11,708,000);
  - (b) *AC manufacturing*: establishment of an additional MoA with one AC manufacturer and advancement of the conversion of four enterprises (UNDP) (US \$1,756,000);
  - (c) *Enabling activities*: training of 180 customs and enforcement officers and organization of one border dialogue; 12 consultation workshops on standards in the refrigeration and air-conditioning sector, promotion of low-GWP alternatives and energy efficiency; establishment of the Refrigeration and Air-conditioning Servicing Sector Society (RASSS) in at least three states and development of a database of technicians from those states; development of awareness material and organization of awareness events focusing on energy efficiency and flammable refrigerants (UNEP) (US \$300,000);
  - (d) *Refrigeration servicing sector*: training of 10,000 technicians in good refrigeration practices and installation of room air-conditioners with HCFC-22 and flammable refrigerants through national training institutes; finalization of the concept of a certification scheme; training of 40 trainers from the Industry Training Institutes (ITIs); and an upgrade of the syllabus of ITIs. (Government of Germany) (US \$2,000,000); and
  - (e) Project implementation and monitoring (data processing, quality control and preparation of reports) (UNDP) (US \$1,144,000).

<sup>5</sup> The remaining balance from the first tranche is to be used in addition to the funds requested.

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### COMMENTS

#### *Air-conditioning manufacturing sector*

24. The Secretariat noted that implementation is going as planned and discussed with UNDP the availability of HFC-32-based compressors. UNDP indicated that the enterprises have so far not faced issues securing orders for HFC-32 compressors, and that the type of compressors (fixed or variable speed) will be chosen in the course of implementation.

#### *Foam manufacturing sector*

25. The Ozone Depleting Substances (Regulation and Control) Amendment Rules, 2014, published in the Gazette of India on April 2014, introduced a ban on the use of HCFCs, including HCFC-141b, pure and contained in pre-blended polyols, in the manufacturing of domestic refrigerators and continuous sandwich panels as of 1 January 2015. The Secretariat noted, however, that three continuous sandwich panel manufacturers were planned to be included in the first tranche, of which two signed MoAs with the Government. UNDP clarified that the Government was assessing whether those enterprises complied with the ban; should it be found that the enterprises were not in compliance, the MoAs would be terminated and any funding disbursed to the two enterprises would be returned to the project. Accordingly, it was agreed that:

- (a) The three continuous sandwich panel manufacturing enterprises would be removed from the first tranche implementation plan; and
- (b) The Government of India would, through UNDP, provide to the 83<sup>rd</sup> meeting an update on the status of compliance of the continuous sandwich panel manufacturers enterprises with the ban.

26. The Secretariat noted that four enterprises included in stage II of the HPMP (Industrial Foams, Sintex Kalol, Isolloyd and Blue Star) were also assisted under stage I. UNDP clarified that for Blue Star and Sintex Kalol, activities included in stage II addressed different applications and production lines than in stage I. In case of Isolloyd and Industrial Foams, an additional discontinuous line has been confirmed by the third-party verifier to be established before the cut-off date of 21 September 2007 and recommended by UNDP for inclusion in stage II. The third-party verifier has also confirmed that baseline equipment of the discontinuous lines (converted under stage I) for both enterprises have been dismantled, and the enterprises have given sworn affidavits to this effect. Therefore, there are no overlaps with the assistance received under stage I.

27. The Secretariat noted that the Government of India with assistance of UNDP has already validated eligibility of close to 100 enterprises consuming 2,316.94 mt of HCFC-141b so that the conversion to low-GWP alternatives can start as soon as possible. Given the limited time until the implementation of the ban on HCFC-141b (1 January 2020), and noting the large number of enterprises with which MoAs need to be signed by that date, the Secretariat recommended that UNDP provide to the 84<sup>th</sup> meeting an update to the list of enterprises that have been identified and their consumption, including enterprises that have been found eligible, ineligible and those with which MoAs had been signed.

28. Given the need to expedite the conversions, the Secretariat further enquired on the involvement of systems houses which received technical assistance of US \$4.29 million in stage I, in the conversion of PU foam enterprises in stage II. UNDP clarified that, due to the assistance received, the country has technical experience in the formulation of polyol systems using low-GWP blowing agents, which will facilitate the transition. However, downstream users have to convert their manufacturing facilities to make

them compatible with the low-GWP pre-blended polyols and to carry out product-specific trials with the new formulations. Currently, market penetration of low-GWP polyol systems is still limited due to commercial reasons. However, the usage of these systems is increasing and expected to grow as stage II progresses. The Secretariat considers that the involvement of systems houses in the conversion of SMEs will expedite the transition to low-GWP alternatives, and that the upcoming ban on HCFC-141b will help make low-GWP alternatives more competitive. The funding request for the foam sector under the second tranche is critical to ensure initiation of as many conversions as possible before the ban on the import and use in all sectors of HCFC-141b, pure or contained in pre-blended polyols, comes into force on 1 January 2020.

#### *Refrigeration servicing sector*

29. Regarding the certification scheme for refrigeration technicians, the Government of Germany clarified that it will be operationalized under the National Skill Qualification Framework (NSQF) of the Government with the participation of all concerned training providers. The scheme proposes different levels of certification based on technicians' qualifications and the skill sets covered. Regarding the training in good servicing practices and installation of room air-conditioners with HCFC-22 and flammable refrigerants planned under the second tranche, UNDP confirmed that it will not include training on retrofitting with flammable substances. The Secretariat considers that this training will support conversion in the AC manufacturing sector and expects a more robust set of activities implemented in the sector with the funding approved under the second tranche.

#### Conclusion

30. The Government of India is in compliance with the Montreal Protocol and its Agreement with the Executive Committee. The consumption of HCFCs in 2017 was already 50 per cent below the baseline for compliance, and the level of disbursement was 20.7 per cent. Training was provided in good refrigeration practices and installation of room air-conditioners, and MoAs were signed with three AC manufacturing enterprises and 15 PU foam manufacturing enterprises to phase out 1,305.48 mt (122.30 ODP tonnes) of HCFCs. The Government is assessing whether the continuous panel manufacturing enterprises complied with the 1 January 2015 ban and, through UNDP, will report on this matter to the 83<sup>rd</sup> meeting. The Government of India re-affirmed its commitment to ban the import and use in all sectors of HCFC-141b, pure or contained in pre-blended polyols, by 1 January 2020. Given the limited time available for the implementation of the ban, the Secretariat considers that approval of the second tranche at the 82<sup>nd</sup> meeting would allow implementation to continue as quickly as possible. Activities planned under the second tranche, including training of customs and enforcement officers, the advancement of conversion of four AC manufacturing enterprises and 94 foam manufacturing enterprises, training of 10,000 refrigeration technicians, and establishment of the certification scheme, will ensure the continued effective implementation of the HCFC phase-out.

#### **RECOMMENDATION**

31. The Executive Committee may wish to consider:
- (a) Noting the progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan (HPMP) in India;
  - (b) Requesting the Government of India, through UNDP, to provide an update on:
    - (i) The Government's assessment of whether the continuous panel manufacturing enterprises had adhered to the 1 January 2015 ban on the use of HCFC-141b to the 83<sup>rd</sup> meeting; and

- (ii) The list of enterprises in the polyurethane foam manufacturing sector with their consumption, including enterprises that have been found eligible, ineligible, and those with which Memoranda of Agreement had been signed, to the 84<sup>th</sup> meeting;
  - (c) Noting:
    - (i) That if the Government were to determine that a continuous panel manufacturing enterprise were not in compliance with the 1 January 2015 ban, the Memorandum of Agreement with that enterprise would be terminated, and any funding disbursed returned to the project, in line with decision 77/43(d)(ii);
    - (ii) That no continuous foam panel manufacturing enterprise would be included under stage II until its eligibility was assessed by the Executive Committee; and
  - (d) Approving the second tranche of stage II of the HPMP for India and the corresponding 2018-2020 tranche implementation plan in the amount of US \$18,190,815, consisting of US \$14,608,000, plus agency support costs of US \$1,022,560 for UNDP, US \$300,000, plus agency support costs of US \$36,333 for UNEP and US \$2,000,000, plus agency support costs of US \$223,922 for the Government of Germany.
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