



**United Nations
Environment
Programme**

Distr.
GENERAL



UNEP/OzL.Pro/ExCom/86/100
28 June 2021

ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL

Eighty-sixth Meeting

Intersessional approval process, 16 November – 3 December 2020

Extended intersessional approval process, 29 March – 7 May 2021

Online, 6, 9, 12, and 16 April 2021 and 28 June 2021¹

REPORT OF THE EIGHTY-SIXTH MEETING OF THE EXECUTIVE COMMITTEE

Introduction

1. In accordance with decision XXXI/14 of the Thirty-First Meeting of the Parties to the Montreal Protocol, the members of the Executive Committee for 2020 were:

- (a) Parties not operating under paragraph 1 of Article 5 of the Protocol (non-Article 5 Parties): Australia, Belgium (Vice-Chair), Czechia, Japan, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America; and
- (b) Parties operating under paragraph 1 of Article 5 of the Protocol (Article 5 Parties): Bahrain, Bangladesh, Chile, Djibouti, India, Rwanda (Chair) and Suriname.

2. In light of the outbreak of the coronavirus disease (COVID-19) in late 2019, characterized as a pandemic by the World Health Organization on 11 March 2020, the Secretariat developed a contingency plan for conducting the 85th and 86th meetings of the Executive Committee (“contingency plan”), which had originally been planned for 2020, and sent it to members on 16 March 2020 for their consideration. Subsequently, in consultation with the Chair and Vice-Chair of the Executive Committee, the Secretariat modified and adapted the contingency plan on several occasions on the basis of the evolution of the pandemic. Each revised contingency plan was considered and approved by all Executive Committee members. In late 2020, the Executive Committee agreed *inter alia*:

- (a) To hold the postponed 85th and 86th meetings back to back in Montreal, Canada, from 8 to 12 March 2021; and
- (b) To implement, on an exceptional basis and without setting a precedent, an intersessional approval process for the 86th meeting (IAP-86) to consider several items and documents on the agenda.

¹ Due to coronavirus disease (COVID-19)

3. The IAP-86 was conducted from 16 November to 3 December 2020 through an online password-protected forum, with the participation of the Executive Committee for 2020. The Sub-group on the Production Sector met on 1 December 2020.

4. 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 Multilateral Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank participated in the IAP-86 as observers. The Executive Secretary of the Ozone Secretariat was also invited to participate in the IAP-86 as an observer.

5. In accordance with decision XXXII/9 of the Thirty-Second Meeting of the Parties, the members of the Executive Committee for 2021 were:

- (a) Non-Article 5 Parties: Australia, Belgium (Chair), Czechia, Japan, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America; and
- (b) Article 5 Parties: Armenia, Bahrain (Vice-Chair), China, Djibouti, Paraguay, Suriname and Zimbabwe.

6. Given the continued confinement and travel restrictions in place in the province of Quebec and in Canada, the postponed 86th meeting could not be held in Montreal from 8 to 12 March 2021. Accordingly, the Executive Committee agreed, *inter alia*, for items of the agenda of the 86th meeting that had not been considered through the IAP-86:

- (a) To implement, on an exceptional basis and without setting a precedent, an extended intersessional approval process for the 86th meeting (IAP-86ext) for several items;
- (b) To hold formal online meetings of the Executive Committee with simultaneous interpretation and virtual meetings in English for several other items; and
- (c) To defer to a future meeting consideration of the remaining items on the agenda.

7. The Executive Committee also agreed that the reports of the IAP-86 and IAP-86ext would be classified, on an exceptional basis, as for “general distribution”.

8. The IAP-86ext was conducted from 29 March to 7 May 2021 through an online password-protected forum. The formal online meetings of the postponed 86th meeting were held on 6, 9, 12 and 16 April 2021, with associated virtual meetings being held in the margins of the formal online meetings. The members of the Executive Committee for 2021 participated in the IAP-86ext and the postponed 86th meeting.

9. In accordance with the decisions taken by the Executive Committee at its second and eighth meetings, representatives of UNDP, UNEP, as both implementing agency and Treasurer of the Fund, UNIDO and the World Bank participated in the IAP-86ext and the postponed 86th meeting as observers.

10. The Acting Executive Secretary of the Ozone Secretariat participated in the IAP-86ext and the postponed 86th meeting as an observer. Members of the task force of the Technology and Economic Assessment Panel (TEAP) on the replenishment of the Multilateral Fund were present at the postponed 86th meeting as observers.

11. Representatives of the Alliance for Responsible Atmospheric Policy, the Environmental Investigation Agency, the Institute for Governance and Sustainable Development and the Private Sector Commission for Studies on Sustainable Development of Mexico also attended the postponed 86th meeting as observers.

AGENDA ITEM 1: OPENING OF THE MEETING

12. The Chair welcomed the members of the Executive Committee to the formal online meetings. He acknowledged that the past year had been challenging for all and had required the Executive Committee to think beyond its normal practices and to consider how best to maintain the progress already made and to move forward with its work during the COVID-19 pandemic. He thanked the previous Chair of the Committee, Ms. Juliet Kabera (Rwanda), and all the members of the Executive Committee for 2020 for their flexibility and determination to keep up the momentum of the Committee's work in a year that had seen the Committee conduct all of its work through virtual means only. Two successful intersessional approval processes had been carried out for the 85th meeting and for the majority of the work associated with the 86th meeting. The formal online meeting sought to complete that work.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

13. The Executive Committee adopted the following agenda for the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/86/1:

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;
 - (c) Accounts of the Multilateral Fund:
 - (i) Final 2019 accounts;
 - (ii) Reconciliation of the 2019 accounts;
 - (d) Approved 2021, 2022 and proposed 2023 budgets of the Fund Secretariat.
5. Country programme data and prospects for compliance.
6. Evaluation:
 - (a) Evaluation of the performance of implementing agencies against their 2019 business plans;
 - (b) Revised desk study for the evaluation of the sustainability of the Montreal Protocol achievements;

- (c) Evaluation of regional networks of national ozone officers:
 - (i) Desk study;
 - (ii) Terms of reference for the second phase;
 - (d) Terms of reference for the desk study for the evaluation of demonstration projects for low-global-warming-potential alternatives to HCFCs;
 - (e) Desk study for the evaluation of energy efficiency in the servicing sector;
 - (f) Draft monitoring and evaluation work programme for the year 2021.
7. Programme implementation:
- (a) Progress reports as at 31 December 2019:
 - (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) 2020 consolidated project completion report.
8. Business planning:
- (a) Update on the status of implementation of the 2020–2022 consolidated business plan of the Multilateral Fund;
 - (b) Tranche submission delays;
 - (c) Consolidated business plan of the Multilateral Fund for 2021–2023;
 - (d) Business plans of the bilateral and implementing agencies for 2021–2023:
 - (i) Bilateral agencies;
 - (ii) UNDP;
 - (iii) UNEP;
 - (iv) UNIDO;
 - (v) World Bank.

9. Project proposals:
 - (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Amendments to work programmes:
 - (i) UNDP work programme amendments for 2020;
 - (ii) UNEP work programme amendments for 2020;
 - (iii) UNIDO work programme amendments for 2020;
 - (d) UNEP Compliance Assistance Programme budget for 2021;
 - (e) 2021 core unit costs for UNDP, UNIDO and the World Bank;
 - (f) Investment projects.
10. Overview of current monitoring, reporting, verification and enforceable licensing and quota systems developed with support from the Multilateral Fund (decision 84/85).
11. Review of institutional strengthening projects, including funding levels (decision 74/51(d)).
12. Analysis of the administrative cost regime and core unit funding (decision 84/61(c)).
13. Matters related to the Kigali Amendment to the Montreal Protocol:
 - (a) Development of the cost guidelines for the phase-down of HFCs in Article 5 countries: Draft criteria for funding (decision 83/65(d));
 - (b) Document discussing potential strategies, policy measures and commitments, as well as projects and activities that could be integrated within stage I of HFC phase-down plans for Article 5 countries to ensure limits on growth and sustainable reductions in HFC consumption (decision 84/54(b));
 - (c) Draft guidelines for the preparation of HFC phase-down plans for Article 5 countries (decision 84/54(a));
 - (d) Analysis of the level and modalities of funding for HFC phase-down in the refrigeration servicing sector (decisions 83/65(b) and 84/86(b)(ii));
 - (e) Synthesis report describing best practices and ways for the Executive Committee to consider operationalizing paragraph 24 of decision XXVIII/2 (decision 84/87(b));
 - (f) Analysis of and information on the incremental costs and their duration, and on the cost effectiveness of all approved investment projects in the relevant manufacturing sectors and sub-sectors (decision 84/87(a));

- (g) Energy efficiency:
 - (i) Paper on ways to operationalize paragraph 16 of decision XXVIII/2 and paragraph 2 of decision XXX/5 of the Parties (decision 84/88);
 - (ii) Framework for consultations with relevant funds and financial institutions to explore the mobilization of additional financial resources for maintaining or enhancing energy efficiency when replacing HFCs with low-global-warming-potential refrigerants in the refrigeration and air-conditioning sector (decision 84/89);
 - (h) Key aspects related to HFC-23 by-product control technologies (decisions 84/90 and 84/91).
14. Draft report of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to the Thirty-Second Meeting of the Parties.
 15. Report of the Sub-group on the Production Sector.
 16. Other matters.
 17. Adoption of the report.
 18. Closure of the meeting.
- (b) Organization of work**
14. The Executive Committee agreed:
 - (a) To consider the following items of the agenda:
 - (i) Items 3, 4(a), 4(b), 4(c), 7, 8(b) and 9 in part, through the IAP-86;
 - (ii) Items 5, 6(a), 6(b), 6(c), 6(d), 6(e), 7(b) in part, 8(a), 8(c), 8(d), 9(c)(iii), 9(f), 12 and 14, through the IAPext-86;
 - (iii) Items 3, 9(a), 9(b), 9(c), 13(c), 13(g)(ii), 13(h) in part, and 15, during the postponed 86th meeting; and
 - (b) To defer to a future meetings the items that had not been considered through the IAP-86 or the IAPext-86 or during the postponed 86th meeting, namely, items 4(d), 6(f), 7(b), in relation to the three reports for individual consideration, 10, 11, 13(a), 13(b), 13(d), 13(e), 13(f), 13(g)(i) and 13(h), except for the two HFC-23 by-product control projects.
 15. The Executive Committee agreed to reconvene the Sub-group on the Production Sector for 2020, with the following composition: Australia (facilitator), Bahrain, Chile, India, Suriname, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America.
 16. The Executive Committee agreed to reconvene the Sub-group on the Production Sector for 2021, with the following composition: Armenia, Australia (facilitator), China, Paraguay, Suriname, Switzerland, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.
 17. The Executive Committee for 2021 noted that the advance version of the report for the 86th meeting would be based on documents UNEP/OzL.Pro/ExCom/86/IAP/3, which contained decisions agreed by the

Executive Committee for 2020 and UNEP/OzL.Pro/ExCom/86/IAPext/3, which contained decisions agreed by the Executive Committee for 2021, and would be complemented with the proceedings and decisions taken at the postponed formal online 86th meeting. It agreed that the Secretariat would prepare the advance version of the report and that the Executive Committee would adopt it at the time of its formal online 87th meeting on 28 June 2021.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

18. During the IAP-86, the Executive Committee considered the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/86/2.

19. In response to comments made by one member, the Secretariat provided additional information on the status of recruitment processes for vacant positions and indicated the potential date of 1 December 2020 for the completion of the assessment report by the Multilateral Organization Performance Assessment Network (MOPAN). With regard to the recruitment of the fourth Chief Officer, one member noted that the issue would be added to the agenda of the postponed 86th meeting, while another member proposed that the Secretariat take relevant action on the matter.

20. The Executive Committee decided:

- (a) To note, with appreciation, the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/86/2;
- (b) To note that the issue of the recruitment of the Chief Officer of the Secretariat of the Multilateral Fund would be added to the agenda of the 86th meeting, to be held in March 2021;
- (c) To request the Secretariat, in line with decisions 67/37 and 68/46:
 - (i) To update the documentation relating to the recruitment process for the position of Chief Officer of the Secretariat of the Multilateral Fund and to submit it for consideration by the Executive Committee at its 87th meeting; and
 - (ii) To make the necessary arrangements for the Executive Committee to undertake its usual recruitment procedure for the position of Chief Officer of the Secretariat of the Multilateral Fund.

(Decision 86/1)

21. At the formal online 86th meeting, the Executive Committee had before it document UNEP/OzL.Pro/ExCom/86/2/Add.1, containing an update on the Secretariat activities conducted since the conclusion of the IAP-86.

Assessment report of the Multilateral Fund by the Multilateral Organization Performance Assessment Network

22. The Secretariat had received the MOPAN assessment of the Multilateral Fund in its final version as attached to document UNEP/OzL.Pro/ExCom/86/2/Add.1.

23. By way of introduction, the representative of the Government of Canada, as the institutional lead for the MOPAN assessment, introduced the organization and its work to bring greater transparency, efficiency and performance to the multilateral system. The MOPAN assessment report was then presented by three representatives of MOPAN: Ms. Suzanne Steensen, the Head of the MOPAN Secretariat, Ms. Jolanda Profos and Mr. Michael Flint. They elaborated on the methodology used and the findings,

which had, on the whole, been very positive. The MOPAN team had identified five areas of strength and five areas for improvement. Ms. Steensen thanked the Fund Secretariat, which had gone above and beyond the call of duty to facilitate the work of MOPAN. She looked forward to receiving feedback on the report, including through the management response that all assessed organizations were requested to provide.

24. Following the presentation, several members expressed their gratitude to MOPAN for its assessment report and presentation thereof. While noting the many positive conclusions drawn by the assessment team, a number of them said that it was important to follow up the recommendations for improvements, with evaluation, on the one hand, and verification and ensuring the sustainability of results, on the other, being identified as particularly worthy of attention. One member suggested that the latter could be discussed by the Executive Committee under agenda item 10, Overview of current monitoring, reporting, verification and enforceable licensing and quota systems development with support from the Multilateral Fund, and by the Sub-group on the Production Sector in its consideration of the draft HCFC production sector guidelines and standard format for verification of ODS production phase-out. Another member said that more information about how evaluations were organized and conducted by other United Nations bodies would be useful.

25. Ms. Steensen, responding to a question raised, said that the United Nations had established its own benchmark for the evaluation function that related to the structural independence of evaluation offices and the level of discretion accorded to them to decide their own evaluation programmes. The assessment team's analysis of the Fund's performance in that regard could be found in the report in the section dedicated to micro-indicator 8.1, evaluation function.

26. One member said that he found it inappropriate to link the question of the sustainability of the Multilateral Fund to a single event, i.e. the unexpected increase in global emissions of CFC-11, and to make the claim in the report that the emissions had probably resulted from a reversion to CFC-11 use in closed-cell foam production in eastern Asia. Further study was needed to pinpoint the source of the emissions, and the international community should continue to work together on scientific research, regulation and enforcement as well as technological innovation to jointly safeguard the sustainability of the outcomes of the compliance.

27. One member, supported by two others, proposed that the Executive Committee should request the Secretariat to prepare a report for the 88th meeting that responded to the five key areas of improvement identified in the assessment report, providing information and draft recommendations on those areas of improvement, including an estimate of the resources needed to address them.

28. Another member said that it would be helpful to have time to study the report in more detail. In response, however, one member recalled that the MOPAN Secretariat was requesting a management response within three months and that it therefore might be wise to take additional action sooner than the 88th meeting. In that connection, another member noted that the Fund Secretariat was under pressure owing to the additional work due to the constraints imposed by the pandemic. The proposal to have a report prepared for the 88th meeting allowed space for any backlog of work to be cleared and ensured that ongoing processes would not suffer. If the Committee were to decide to reply only after the 88th meeting, the Chief Officer said that the Secretariat would inform the MOPAN Secretariat of the outcome of the Committee's discussions at the present meeting and its decision to prepare the management response after the Committee had considered the matter at its 88th meeting.

Recruitment of the fourth Chief Officer

29. Introducing the topic, the Chair recalled that consideration of the recruitment process for the fourth Chief Officer would take the form of a closed discussion among members of the Executive Committee, including those who had been co-opted.

30. He informed the Committee that Ms. Inger Anderson, Executive Director of UNEP, had requested her Chief of Staff, Mr. Rafael Peralta, to represent her at the present meeting. The Committee had before it Annex I to document UNEP/OzL.Pro/ExCom/86/2/Add.1 which contained extracts from the documentation relating to the recruitment of the third Chief Officer. At that time, the vacancy announcement had been substantially revised and, following a recent update, it was in line with the requirements of the United Nations Inspira human resources gateway and could be published immediately. The Chair recalled that there was also a need for the Executive Committee to agree on the composition of the selection panel, noting that, according to previous practice, the Executive Director of UNEP and the Chair of the Executive Committee would be the hiring managers.

31. One member expressed support for the vacancy announcement and for replicating the procedure followed for the recruitment of the third Chief Officer. Another member, however, proposed that the vacancy announcement be further updated to reflect the current focus of the work of the Executive Committee and the Secretariat on implementation of the Kigali Amendment and HFC phase-down. He also proposed that it would be beneficial for candidates to have some kind of knowledge of or experience in other financial institutions or funds, given the desire of the Multilateral Fund to increase such cooperation and co-financing opportunities, for example, in relation to energy efficiency while phasing down HFCs.

32. In response to a request for clarification of the process to be followed in relation to the vacancy announcement, Mr. Peralta said that it was the understanding of UNEP that the Executive Committee would consider the vacancy announcement as soon as possible, without prejudice to subsequent discussions on the composition of the selection panel, in order not to delay its advertisement. In response to a question about the inclusion of the Executive Secretary of the Ozone Secretariat as a member of the selection panel for the third Chief Officer, the Chief Officer said the choice of panel member representing UNEP had been the prerogative of the Executive Director of UNEP.

33. In the interests of expediting the process of finalizing the vacancy announcement, the Chief Officer proposed that, following the end of the first online plenary session of the formal online 86th meeting, the Secretariat would solicit comments from members, with a view to compiling those comments for consideration by the Committee later in the meeting. The proposal met with support from members.

34. Subsequently, the Executive Committee had before it a revised draft decision including a revised vacancy announcement integrating the comments made by members during the initial discussion. The Chair recalled that the draft decision referred to the establishment of the selection panel. To expedite that process, he proposed that members of the Executive Committee could consult with one other to identify the three Article 5 Parties and the three non-Article 5 Parties that would be represented on the panel in order for those countries to be mentioned by name in the decision taken at the 86th meeting. In response, one member recalled that it would take time for the approved vacancy announcement to be posted by UNEP and that the 87th meeting was only two months away; she proposed therefore that the panel membership be agreed on at that meeting.

35. One member, supported by others, expressed a preference, if agreeable to the Executive Director of UNEP, for the Executive Secretary of the Ozone Secretariat to be specifically nominated to serve on the selection panel.

36. Commenting on the revised vacancy announcement, Mr. Peralta highlighted the potential pitfalls of being too specific in the work experience required by applicants to the position, which could result in only a very small pool of candidates. Several members agreed that the text should be revised to broaden the scope of desirable experience.

37. The Executive Committee decided:

- (a) To note, with appreciation, the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/86/2/Add.1;

Assessment report of the Multilateral Fund by the Multilateral Organization Performance Assessment Network

- (b) To note, with appreciation, the presentation by the Secretariat of the Multilateral Organization Performance Assessment Network (MOPAN) on the report of the 2019 Assessment of the Multilateral Fund by MOPAN contained in the attachment to document UNEP/OzL.Pro/ExCom/86/2/Add.1;
- (c) To request the Fund Secretariat to prepare, for consideration by the Executive Committee at its 88th meeting:
- (i) A report that responded to the five key areas of improvement identified in the 2019 Assessment of the Multilateral Fund by MOPAN, providing information and draft recommendations on those areas of improvement, including an estimate of the resources needed to address them;
- (ii) A draft management response from the Executive Committee to the MOPAN Secretariat on the assessment referred to in sub-paragraph (c)(i) above;

Recruitment process for the selection of the fourth Chief Officer

- (d) To note, with appreciation, the participation of a representative of the UNEP Executive Director in the process to select the fourth Chief Officer;
- (e) To approve the vacancy announcement for the post of the fourth Chief Officer as contained in Annex I to the present report;
- (f) To request UNEP to launch the vacancy announcement referred to in sub-paragraph (e) above, in the United Nations Inspira human resources gateway and to facilitate the selection process;
- (g) To establish a selection panel consisting of three members representing Article 5 Parties, three members representing non-Article 5 Parties, and two representatives of UNEP, including the Executive Secretary of the Ozone Secretariat, that would review all applications, interview leading candidates and make a recommendation, on the understanding that:
- (i) The Secretariat would work with Executive Committee members intersessionally to identify the three representatives of Article 5 Parties and the three representatives of non-Article 5 Parties, which would include the Chair of the Executive Committee, to serve on the selection panel;
- (ii) The Executive Committee would decide on the composition of the selection panel at its 87th meeting;
- (iii) The selection panel would be co-chaired by a representative of UNEP and the Chair of the Executive Committee in 2021 in his capacity as first reporting officer;

- (iv) UNEP would assist the selection panel throughout the process of selecting the candidates and would provide a briefing on the use of the established interviewing method within the United Nations; and
- (h) To request the Secretariat to report on the progress made on the recruitment process at the 87th meeting.

(Decision 86/2)

AGENDA ITEM 4: FINANCIAL MATTERS

(a) Status of contributions and disbursements

38. During the IAP-86, the Executive Committee considered the report by the Treasurer on status of contributions and disbursements contained in document UNEP/OzL.Pro/ExCom/86/3.

39. As at 30 October 2020, the balance of the Fund had stood at US \$324,044,205, all of it in cash. The percentage of payments against the total pledges for 2020 stood at 97.2 per cent and the loss stemming from the fixed-exchange-rate mechanism (FERM) had decreased by US \$2,620,802 since the 85th meeting. The cumulative loss owing to the FERM since its inception stood at US \$30.2 million.

40. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements, contained in Annex II to the present report;
- (b) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible;
- (c) To request the Chief Officer and the Treasurer to continue following up with Parties that had outstanding contributions for one triennium or more, and to report back at the 87th meeting;
- (d) To note the adjustments in the bilateral contributions by Czechia, Germany, Japan and Sweden, resulting from a reconciliation exercise between invoices, payments in cash and information, contained in the Secretariat's inventory of approved projects, included in Annex II to the present report; and
- (e) To request the Treasurer in cooperation with the Secretariat to finalize the reconciliation exercise for the bilateral contributions by Canada, Finland, France, Portugal and Spain, and to report back at the 87th meeting.

(Decision 86/3)

(b) Report on balances and availability of resources

41. During the IAP-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/4.

42. One of the fundamental principles of the Multilateral Fund was that project proposals could be approved only if sufficient funding were available. As reported in agenda item 4(a), as at 30 October 2020 the funding balance available within the Multilateral Fund had amounted to US \$324,044,205. An additional US \$2,573,517 had subsequently been returned to the Fund by bilateral and implementing agencies, resulting in a total balance of US \$326,617,722, which was sufficient to cover the funding requests submitted to the 86th meeting.

43. The Executive Committee decided:

(a) To note:

- (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/86/4;
- (ii) That the net level of funds being returned at the 86th meeting by the implementing agencies was US \$2,573,375, consisting of US \$756,229, plus agency support costs of US \$55,951, from UNDP; US \$686,656, plus agency support costs of US \$61,080, from UNEP; US \$794,898, plus agency support costs of US \$57,619, from UNIDO; and US \$108,881, plus agency support costs of US \$52,061, from the World Bank;
- (iii) That UNIDO held balances of US \$38, including agency support costs, for one project completed over two years previously and US \$6,637, including agency support costs, for two projects funded using the additional voluntary contributions made by a group of donor countries to finance fast-start activities for the implementation of the HFC phase-down;
- (iv) That the net level of funds being returned at the 86th meeting by the Government of Japan was US \$126, plus agency support costs of US \$16;
- (v) That the Government of Italy held balances of US \$5,350, including agency support costs, for one project funded using the additional voluntary contributions;

(b) To request:

- (i) Bilateral and implementing agencies to proceed with disbursement or to cancel committed and not-committed funds that were not needed for completed projects and projects completed “by decision of the Executive Committee”, and to return the associated balances to the 87th meeting;
- (ii) UNIDO to return to the 87th meeting the balance of two completed projects funded using the additional voluntary contributions;
- (iii) UNIDO to proceed with disbursement or to cancel commitments for one project completed over two years previously, and to return balances to the 87th meeting;
- (iv) The Government of Italy to return to the 87th meeting the balance of one completed project funded using the additional voluntary contributions; and
- (v) The Treasurer to follow up with the Government of Japan, on the return, in cash, of the amount of US \$142 referred to in sub-paragraph (a)(iv) above.

(Decision 86/4)

(c) **Accounts of the Multilateral Fund**

(i) **Final 2019 accounts**

44. During the IAP-86, the Executive Committee considered the final accounts of the Multilateral Fund for the year ending 31 December 2019, contained in document UNEP/OzL.Pro/ExCom/86/5.

45. The Executive Committee decided:

- (a) To note:
 - (i) The final audited financial statements of the Multilateral Fund as at 31 December 2019 prepared in accordance with the International Public Sector Accounting Standards, contained in document UNEP/OzL.Pro/ExCom/86/5;
 - (ii) The return of US \$1,782,262 (US \$1,735,073 from the approved 2019 budget of the Fund Secretariat and US \$47,189 from the approved budget for the monitoring and evaluation work programme) to the Multilateral Fund at the 86th meeting; and
- (b) To request the Treasurer to record in the 2020 accounts of the Multilateral Fund the differences between the implementing agencies' provisional 2019 financial statements and their final 2019 statements reflected in Table 1 of document UNEP/OzL.Pro/ExCom/86/5.

(Decision 86/5)

(ii) Reconciliation of the 2019 accounts

46. During the IAP-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/6.

47. The Executive Committee decided:

- (a) To note the reconciliation of the 2019 accounts contained in document UNEP/OzL.Pro/ExCom/86/6;
- (b) To request the Treasurer to deduct from future transfers:
 - (i) To UNDP, US \$1,302,751, on account of income from interest reported in its 2019 final accounts that had yet to be offset against new approvals;
 - (ii) To UNEP, US \$450,092, on account of income from interest earned in 2019, US \$1,094,455, on account of income from interest earned in prior years, and US \$41, on account of income from exchange rate gain, all reported in its 2019 final accounts, that had yet to be offset against new approvals;
 - (iii) To the World Bank, US \$1,930,263, on account of income from investment earned in the fourth quarter of 2018 and in 2019, and US \$4,436,475, on account of funds returned from the 83rd and 84th meetings, both reported in its 2019 final accounts, that had yet to be offset against new approvals;
- (c) To request UNIDO to make adjustments in its 2020 accounts of US \$174,682, representing income adjustments that had been recorded in different years, and US \$2,098,458 in income that had been recorded in 2019;
- (d) To request the World Bank to make adjustments of US \$1,060,319 in its 2020 progress report, representing funds returned in relation to one project (PHI/SEV/80/TAS/01);
- (e) To note that the following 2019 outstanding reconciling items would be updated by relevant implementing agencies prior to the 88th meeting:
 - (i) Differences of US \$12,597 in income and US \$61,615 in expenditures between the progress report and the final accounts of UNIDO;

- (ii) A difference of US \$115,560, in income, between the progress report and the final accounts of the World Bank;
- (f) To note the standing reconciling items as follows:
 - (i) For UNDP, for unspecified projects, in the amounts of US \$68,300 and US \$29,054;
 - (ii) For the World Bank, for the following projects, implemented with other bilateral agencies where applicable:
 - a. Bilateral cooperation of the Government of Japan (THA/PHA/68/TAS/158), in the amount of US \$342,350;
 - b. Bilateral cooperation of the Government of Sweden (THA/HAL/29/TAS/120), in the amount of US \$225,985;
 - c. Bilateral cooperation of the Government of the United States of America (CPR/PRO/44/INV/425), in the amount of US \$5,375,000;
 - d. Bilateral cooperation of the Government of the United States of America (CPR/PRO/47/INV/439), in the amount of US \$5,375,000; and
 - e. The Thailand chiller project (THA/REF/26/INV/104), in the amount of US \$1,198,946.

(Decision 86/6)

(d) Approved 2021, 2022 and proposed 2023 budgets of the Fund Secretariat

48. The Executive Committee agreed to defer consideration of the approved 2021, 2022 and proposed 2023 budgets of the Fund Secretariat to the 87th meeting.

AGENDA ITEM 5: COUNTRY PROGRAMME DATA AND PROSPECTS FOR COMPLIANCE

49. During the IAPext-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/8.

50. At the request of one member, the Secretariat provided additional information with regard to the availability of data on HFC-23 by-product emissions and indicated that, in the absence of reported production and consumption of HFCs under Article 7 of the Montreal Protocol and/or in the country programme (CP) data report, it would not be possible to estimate the production and consumption level of major producers and consumers.

51. Another member requested clarification of the relationship between different tables in the CP data reporting format, in particular Table B1 and Table B on HFCs and the purpose of and need to report that information. The member further proposed removing Table B1 from the report, noting the difficulty of tracking the flow and diverse sources of HFCs and HFC blends and complicated calculations required, that could result in erroneous data reporting and inconsistencies.

52. In clarifying the issue, the Secretariat noted that Table B1 would apply to only a few countries that manufactured HFC-blends, and only in relation to blends that were manufactured in those countries; such data would be filled for a trial period to enable Article 5 countries to gain experience and on that basis the Executive Committee could decide then on the continued use of Table B1. Reiterating her views, however,

the member proposed that the item be deferred for discussion at an in-person meeting of the Executive Committee.

53. The Executive Committee decided:

- (a) To note the information on country programme (CP) data and prospects for compliance contained in document UNEP/OzL.Pro/ExCom/86/8, including:
 - (i) That 142 countries had submitted 2019 CP data;
 - (ii) That, as at 5 January 2021, Yemen had not submitted CP data for the years 2014 to 2019, and Algeria had not submitted CP data for 2019;
- (b) To request the Secretariat to send letters to the Government of Yemen regarding the outstanding CP data reports for the years 2014, 2015, 2016, 2017, 2018 and 2019, and to the Government of Algeria regarding the outstanding CP data report for 2019, urging them to submit those reports as soon as possible; and
- (c) To defer consideration of the draft updated revised format of Section B1 of CP data reports, as contained in Annex IV to document UNEP/OzL.Pro/ExCom/86/8, to an in-person meeting of the Executive Committee.

(Decision 86/7)

AGENDA ITEM 6: EVALUATION

(a) Evaluation of the performance of implementing agencies against their 2019 business plans

54. During the IAPext-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/9, containing an evaluation of the performance of the implementing agencies against their 2019 business plans.

55. One member noted that the recommendation “to note that the trend analysis indicated that performance of implementing agencies had not improved in some indicators in 2019 relative to 2018,” implied that performance of implementing agencies had improved in some areas.

56. The Executive Committee decided:

- (a) To note:
 - (i) The evaluation of the performance of implementing agencies against their 2019 business plans, as contained in document UNEP/OzL.Pro/ExCom/86/9;
 - (ii) That all implementing agencies had a quantitative assessment of their performance for 2019 of at least 83 on a scale of 100;
 - (iii) That the trend analysis indicated that performance of implementing agencies had not improved in some indicators in 2019 in relation to 2018;
 - (iv) With appreciation, the efforts undertaken by bilateral and implementing agencies to have open and constructive discussions with the respective national ozone units (NOUs) about the areas in which their services were perceived to be less than satisfactory, and the satisfactory outcome of their consultations with the NOUs concerned;

- (b) To request UNIDO to have an open and constructive discussion with the NOU in Iraq, to resolve any issues raised in the evaluation of its performance and to report to the 87th meeting on the outcome of the discussion; and
- (c) To encourage NOUs to submit, on a yearly basis and in a timely manner, their assessments of the qualitative performance of the bilateral and implementing agencies in assisting their governments, noting, with appreciation, that 78 out of the 144 countries had submitted such assessments for 2019, as compared to 71 for 2018.

(Decision 86/8)

(b) Revised desk study for the evaluation of the sustainability of the Montreal Protocol achievements

57. During the IAPext-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/10, presenting the changes made to the desk study submitted to the 84th meeting.

58. Members appreciated the fact that the revised desk study incorporated the perspectives of significantly more Article 5 countries than the study presented at the 84th meeting. They highlighted the importance of a continued discussion on monitoring and verification matters, from an overarching perspective. Such a discussion should also take into account documents UNEP/OzL.Pro/ExCom/86/14, UNEP/OzL.Pro/ExCom/86/21/Add.1, UNEP/OzL.Pro/ExCom/86/83 and UNEP/OzL.Pro/ExCom/86/SGP/2. It was important to take into account the findings and recommendations of the revised desk study and the paper prepared under agenda item 10, Overview of current monitoring, reporting, verification and enforceable licensing and quota systems developed with support from the Multilateral Fund (decision 84/85), as both documents addressed the issue of sustaining compliance with Montreal Protocol obligations over the long term.

59. In response to a request for additional information, drawing attention to relevant paragraphs of document UNEP/OzL.Pro/ExCom/83/38, prepared for the discussion under agenda item 10, the Secretariat highlighted independent verification and auditing of ODS production as an efficient means of enforcing sustained phase-out of ODS, and of strengthening it, and provided a brief overview of the cost and funding of current verification and management practices. The Secretariat further recalled the observations of how verification under multi-year agreements might be strengthened, made in paragraphs 21(m)(iv) and (v) of document UNEP/OzL.Pro/ExCom/84/64, which had not agreed to by the Executive Committee at its 84th meeting.

60. One member requested insights into the impact of the COVID-19 pandemic on the sustainability of Montreal Protocol achievements in countries. While indicating that the report of the revised desk study did not contain such information, as it had been completed before the pandemic, the Secretariat informed the Committee that such information was available in a number of Executive Committee documents, issued since the 85th meeting. They showed the continued commitment of Article 5 countries to implementing and completing, despite the pandemic, the activities funded under the Multilateral Fund, which contributed to meeting and sustaining their compliance with the targets with the Montreal Protocol.

61. The Executive Committee decided:

- (a) To note the revised desk study on the evaluation of the sustainability of the Montreal Protocol achievements, contained in document UNEP/OzL.Pro/ExCom/86/10; and
- (b) To invite the bilateral and implementing agencies to take into consideration, where appropriate, the findings and recommendations of the desk study referred to in

sub-paragraph (a) above, when assisting Article 5 countries in preparing and implementing projects supported by the Multilateral Fund.

(Decision 86/9)

(c) Evaluation of regional networks of national ozone officers: desk study and terms of reference (second phase)

62. During the IAPext-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/11, containing the desk study of the evaluation of regional networks of national ozone officers and the terms of reference for the second phase of the evaluation.

63. Members noted that the networks were of high value to Article 5 countries and saw such evaluations as important so that regional networks would continue to improve and be of value to Article 5 countries during the next stage of implementation of the Montreal Protocol. It was also noted that the recommendations contained in the document came in advance of final recommendations from the evaluation and that the final evaluation might identify more specific or new recommendations for improved operation of the regional networks for consideration by the Committee.

64. In response to a request for additional information, UNEP explained that regional network meetings, where the Fund and Ozone Secretariats and bilateral partners/agencies and implementing agencies also participated, provided an opportunity for ozone officers, particularly those who did not attend meetings of the Executive Committee and the Parties to the Montreal Protocol, to be conversant with the decisions of the Executive Committee and the Parties, key issues under the Montreal Protocol and technical or financial issues affecting the regions. Such meeting also enabled them to learn from peers from both Article 5 and non-Article 5 Parties, through the sharing of information, experiences and knowledge. To facilitate the participation of the Fund Secretariat in such meetings, UNEP indicated that it tried not to schedule its network meetings when other major meetings were taking place or at the time of submission deadlines. When participation in person was not possible, it invited the Fund Secretariat either to make a virtual presentation or to send a pre-recorded message.

65. UNEP further provided information on how NOUs engaged with civil society through the public awareness component of institutional strengthening projects, to garner support for the national Montreal Protocol strategies and policies, and through key stakeholder consultations in the context of HCFC phase-out management plans (HPMPs) and enabling activities for HFC phase-down. The NOUs interacted on an ongoing basis with the private sector for various activities, including regulatory development, importation of refrigerants and equipment, data collection, allocation of quotas and licenses and training and technology deployment.

66. Concerning the contribution of network meetings to the cooperation between the NOUs and the institutions in charge of funding for energy efficiency, UNEP noted that the OzonAction had considered energy efficiency issues at various regional network meetings and had undertaken specific projects and activities. Interaction between individuals and bodies responsible for Montreal Protocol compliance and those responsible for energy policy was not frequent in many Article 5 countries. These countries were, however, facing critical choices in technology and policy to meet and sustain the HCFC phase-out compliance targets while preparing for the HFC phase-down, and NOUs increasingly needed to consider the selection of refrigerants in the context of their national and regional energy efficiency policies.

67. UNEP indicated that, on the basis of its experience of a project supported outside the Multilateral Fund (under the Kigali Cooling Efficiency Programme), regional twinning workshops strengthened information exchange among participants from the different disciplines in Article 5 countries, improving their knowledge of the various programmes and reinforced (and in some cases, jump-started) the national stakeholder consultative process on the ozone–energy efficiency nexus. To keep up the momentum, UNEP

proposed the twinning of national ozone officers and energy policymakers for effective coordination of policies on the Montreal Protocol and energy efficiency at the national and regional levels. The workshops would enable the NOUs to better understand policies, programmes and projects related to energy efficiency outside the mandate of the Montreal Protocol (e.g., minimum energy performance standards (MEPS), labelling programmes, energy policies) that could have an impact on, and implications for, Montreal Protocol compliance objectives.

68. With regard to how the regional networks could facilitate cooperation with other environment funds, UNEP provided several past examples of implementing agencies and participating Article 5 countries being invited to share details of their ozone-related projects under the Global Environment Facility (GEF), and the GEF Secretariat being invited to certain regional network meetings to discuss synergies and cooperation, depending on the relevance to that specific region. UNEP further indicated that it would invite the Green Climate Fund (GCF) Secretariat to regional network meetings as and when it was useful.

69. Another member proposed a few adjustments to the terms of reference to ensure that the findings of the desk study were built on more effectively and that the final evaluation be presented at the first in-person meeting of the Executive Committee in 2022. Subsequently, a corrigendum to the document was issued.

70. The Executive Committee decided:

- (a) To note the desk study on the evaluation of regional networks of national ozone officers and the terms of reference for the second phase of the evaluation contained in documents UNEP/OzL.Pro/ExCom/86/11 and Corr.1;
- (b) To invite the bilateral and implementing agencies to apply, where appropriate, the findings and recommendations of the evaluation referred to in sub-paragraph (a) above; and
- (c) To approve the terms of reference for the second phase of the evaluation of regional networks of national ozone officers contained in document UNEP/OzL.Pro/ExCom/86/11/Corr.1.

(Decision 86/10)

(d) Terms of reference for the desk study for the evaluation of demonstration projects for low-global-warming potential alternatives to HCFCs

71. During the IAPext-86, the Executive Committee considered the terms of reference for the desk study for the evaluation of demonstration projects for low-global-warming-potential alternatives to HCFCs set out in document UNEP/OzL.Pro/ExCom/86/12.

72. With regard to whether the lessons from the approved feasibility studies to promote not-in-kind technologies would be part of the evaluation, it was clarified that the evaluation would focus on issues related to the design and implementation of demonstration projects using technologies with low global-warming potential (GWP) and that no demonstration projects to convert to not-in-kind technologies had been approved.

73. One member noted with concern that the number of questions contained in the document would result in a lack of focus in the answers on the key issues. Adjustments to the terms of reference were proposed by a few members resulting in the issuance of revised terms of reference. With regard to a proposal to replace the term “low-GWP technologies” with “low- to zero-GWP technologies” consistent with the

term used in decision XXVIII/2, related to the amendment of phasing down HFCs, after clarifications given by the Secretariat, the proposal was withdrawn.

74. The Executive Committee decided to approve the terms of reference for the desk study for the evaluation of the demonstration projects on low-global-warming-potential alternatives to HCFCs, contained in document UNEP/OzL.Pro/ExCom/86/12/Rev.1.

(Decision 86/11)

(e) Desk study for the evaluation of energy efficiency in the servicing sector

75. During the IAPext-86, the Executive Committee considered the desk study for the evaluation of the energy efficiency in the servicing sector presented in document UNEP/OzL.Pro/ExCom/86/13.

76. One member proposed deferral of consideration of the desk study to the 87th meeting, noting that the Executive Committee might wish to reflect how it could be used to respond to the request by the Parties in decision XXX/5. She further pointed out that despite the wealth of information on the servicing sector contained in the document, not all of it was directly relevant to the matter of energy efficiency; indirect links could potentially be made clearer in some sections. Furthermore, there were a number of implicit recommendations throughout the document that merited consideration by the Executive Committee.

77. Another member proposed corrections to the desk study to reflect the policy that had been put in place to allow for a safer retrofitting process and the requirement to use appropriate safety standards. These proposals resulted in the issuance of a corrigendum to the desk study.

78. The Executive Committee decided to defer consideration of the desk study for the evaluation of energy efficiency in the servicing sector, contained in documents UNEP/OzL.Pro/ExCom/86/13 and Corr.1, to its 87th meeting.

(Decision 86/12)

(f) Draft monitoring and evaluation work programme for the year 2021

79. The Executive Committee agreed to defer consideration of the draft monitoring and evaluation work programme for the year 2021 to its 87th meeting.

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION

(a) Progress reports as at 31 December 2019

(i) Consolidated progress report

80. During the IAP-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/15.

81. In response to comments by one member, the Secretariat provided additional information and clarification regarding the cost-effectiveness of projects; transactional costs associated with programme implementation since the inception of the Fund; enabling activities for HFC phase-down relating to the extent of coverage of HFC data reporting and implementation delays; and matters relating to HFC data used as part of an overall analysis of the results of the surveys of ODS alternatives presented to the 80th meeting. On the basis of the additional information provided by the Secretariat, the member suggested the inclusion of analysis of the production and consumption of all controlled substances by Article 5 countries, including HFCs and HFC-23 production/generation, and of the results from the surveys of ODS alternatives carried out in line with decision 79/43, in document UNEP/OzL.Pro/ExCom/86/8 on CP data and prospects for compliance.

82. The Executive Committee decided to note:

- (a) The consolidated progress report of the Multilateral Fund as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/15;
- (b) With appreciation, the efforts undertaken by bilateral and implementing agencies in reporting their 2019 activities; and
- (c) That the bilateral and implementing agencies would report, at the 87th meeting, on the 94 projects with implementation delays and 55 ongoing projects or tranches of multi-year agreements recommended for additional status reports contained in Annexes III to VII to the present report.

(Decision 86/13)

(ii) Bilateral agencies

83. During the IAP-86, the Executive Committee considered the progress report of bilateral cooperation contained in document UNEP/OzL.Pro/ExCom/86/16.

84. The Executive Committee decided:

- (a) To note, with appreciation, the progress reports submitted by the Governments of Australia, Canada, France, Germany, Italy, Japan, the Russian Federation and Spain contained in document UNEP/OzL.Pro/ExCom/86/16; and
- (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex III to the present report.

(Decision 86/14)

(iii) UNDP

85. During the IAP-86, the Executive Committee considered the progress report of UNDP contained in document UNEP/OzL.Pro/ExCom/86/17.

86. The Executive Committee decided:

- (a) To note the progress report of UNDP as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/17; and
- (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex IV to the present report.

(Decision 86/15)

(iv) UNEP

87. During the IAP-86, the Executive Committee considered the progress report of UNEP contained in documents UNEP/OzL.Pro/ExCom/86/18 and Corr.1.

88. The Executive Committee decided:

- (a) To note the progress report of UNEP as at 31 December 2019 contained in documents UNEP/OzL.Pro/ExCom/86/18 and Corr.1;

- (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex V to the present report;
- (c) To request UNEP to return to the 86th meeting the remaining balances amounting to US \$30,000 from the institutional strengthening project for Dominica (phase VI: 4/2014-3/2016) (DMI/SEV/72/INS/21) in line with decision 82/11(c)(i);
- (d) Noting the difficult situation in Iraq, to approve the extension, to 30 June 2021, of the HCFC phase-out management plan (HPMP) for the country (stage I, third tranche) (IRQ/PHA/84/TAS/28), to allow UNEP to complete the remaining servicing sector activities;
- (e) To approve the extension, to 30 June 2021, of the HPMP for Serbia (stage I, third and fourth tranches) (YUG/PHA/79/TAS/47 and YUG/PHA/84/TAS/52), to allow UNEP to complete the remaining customs and enforcement training activities;
- (f) With regard to the HPMP for Saudi Arabia:
 - (i) To cancel the polyurethane foam sector component included in the first tranche of stage I of the HPMP for Saudi Arabia (SAU/PHA/68/TAS/18), in line with decision 84/45(b) and (c), and to request UNEP to return the remaining balances, amounting to US \$13,576, to the 86th meeting;
 - (ii) To request UNEP to submit an annual progress report on the implementation of the activities remaining from stage I of the HPMP for Saudi Arabia (first and fourth tranches;) (refrigeration servicing, custom training and monitoring) (SAU/PHA/68/TAS/16 and SAU/PHA/77/TAS/32) to the last meeting of the Executive Committee of each year until their completion;
 - (iii) To note that stage II of the HPMP for Saudi Arabia would be considered only after the project completion report of stage I of the HPMP had been submitted, stage I of the HPMP had been financially completed and all funding balances had been returned to the Multilateral Fund; and
 - (iv) To note also that the amount of US \$107,250 transferred under the fourth tranche (SAU/PHA/77/TAS/32) would be deducted from the total funding to be approved for stage II of the HPMP, when submitted.

(Decision 86/16)

(v) UNIDO

89. During the IAP-86, the Executive Committee considered the progress report of UNIDO contained in document UNEP/OzL.Pro/ExCom/86/19.

90. The Executive Committee decided:

- (a) To note the progress report of UNIDO as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/19;
- (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex VI to the present report;
- (c) To approve, on an exceptional basis, the extension, to 31 December 2020, of the phase-out of CFC consumption in the manufacture of aerosol metered-dose inhalers in Egypt

(EGY/ARS/50/INV/92), to allow completion of the final activities relating to registration, noting that there would be no further extensions, and to request UNIDO to submit the project completion report (PCR) at the 87th meeting;

- (d) To approve the extension, on an exceptional basis, to 30 June 2021, of the national phase-out plan for Iraq (first tranche) (IRQ/PHA/58/INV/09) and the 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 in Iraq (IRQ/REF/57/INV/07), to allow completion of project activities relating to the installation and commissioning of equipment at the beneficiary enterprise;
- (e) To approve the extension, to 31 December 2021, of the HCFC phase-out management plan (HPMP) for Iraq (stage I, second and third tranches) (refrigeration servicing sector) (IRQ/PHA/74/INV/23 and IRQ/PHA/84/INV/29), to complete the procurement and delivery of laboratory and service training equipment and related activities;
- (f) To approve the extension, to 30 June 2021, of the HPMP for Serbia (stage I, fourth tranche) (YUG/PHA/84/INV/51) to complete the remaining activities;
- (g) To approve the extension, to 31 December 2021, of the 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 in the Syrian Arab Republic (SYR/REF/62/INV/103), to allow completion of the remaining activities relating to the installation and commissioning of equipment at the beneficiary enterprise;
- (h) To approve the extension, to 31 December 2021, of the global chiller replacement project in Argentina (GLO/REF/80/DEM/344), to allow completion of activities relating to beneficiaries;
- (i) With regard to the HPMP for Saudi Arabia:
 - (i) To cancel the refrigeration servicing and monitoring component included in the first, second and third tranches of stage I HPMP for Saudi Arabia (SAU/PHA/68/INV/17, SAU/PHA/72/INV/20, and SAU/PHA/75/INV/25), and the polyurethane foam sector component included in the third tranche of stage I of the same HPMP (SAU/PHA/75/INV/24), in line with decision 84/45(b) and (c), and to request UNIDO to return the remaining balances at the 87th meeting;
 - (ii) To request UNIDO to submit an annual progress report on the implementation of remaining activities of the project to phase out HCFC-22 and HCFC-142b from the manufacture of extruded polystyrene panels at Al-Watania Plastics (SAU/FOA/62/INV/13) and of the HPMP for Saudi Arabia (stage I, first, second and fourth tranches) (polyurethane foam sector plan) (SAU/PHA/68/INV/19, SAU/PHA/72/INV/21 and SAU/PHA/77/INV/31) to the last meeting of the Executive Committee of each year until their completion; and
 - (iii) To note that stage II of the HPMP for Saudi Arabia would be considered only after the PCR of stage I of the HPMP had been submitted, stage I of the HPMP had been financially completed and all funding balances had been returned to the Multilateral Fund.

(Decision 86/17)

(vi) World Bank

91. During the IAP-86, the Executive Committee considered the progress report of the World Bank contained in document UNEP/OzL.Pro/ExCom/86/20.

92. The Executive Committee decided:

- (a) To note the progress report of the World Bank as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/20; and
- (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex VII to the present report.

(Decision 86/18)

(b) Reports on projects with specific reporting requirements

93. During the IAP-86, the Executive Committee considered all reports contained in Section I of document UNEP/OzL.Pro/ExCom/86/21, as follows.

ODS waste disposal projects

Brazil: Pilot demonstration project on ODS waste management and disposal (progress report) (UNDP)

94. Information relating to the pilot demonstration project was set out in paragraphs 6 to 11 of document UNEP/OzL.Pro/ExCom/86/21.

95. The Executive Committee took note of the progress report on the pilot demonstration project on ODS waste management and disposal in Brazil, submitted by UNDP and contained in document UNEP/OzL.Pro/ExCom/86/21.

Cuba: Pilot demonstration project on ODS waste management and disposal (update on amounts of ODS wastes destroyed) (UNDP)

96. Information relating to the pilot demonstration project was set out in paragraphs 12 to 17 of document UNEP/OzL.Pro/ExCom/86/21. One member proposed that the monitoring of the operation of the cement kiln and reporting on the project should continue.

97. The Executive Committee decided:

- (a) To note the update provided by UNDP on the amounts of ODS wastes destroyed by the pilot demonstration project on ODS waste management and disposal in Cuba, contained in document UNEP/OzL.Pro/ExCom/86/21; and
- (b) To request the Government of Cuba and UNDP to continue monitoring the operation of the cement kiln and the amounts of ODS wastes destroyed once the constraints imposed by the coronavirus disease pandemic allowed, and to report back to a future meeting of the Executive Committee.

(Decision 86/19)

Lebanon: Pilot demonstration project on ODS waste management and disposal (final report) (UNIDO)

98. Information relating to the pilot demonstration project was set out in paragraphs 18 to 30 of document UNEP/OzL.Pro/ExCom/86/21. One member proposed that a further information on various aspects arising from the pilot project, particularly those related to policy development, should be given.

99. The Executive Committee decided:

- (a) To note the final report on the pilot demonstration project on ODS waste management and disposal for Lebanon, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21;
- (b) To request the Government of Lebanon and UNIDO to submit a report at a future meeting of the Executive Committee providing information on the strengthening of the existing legislation related to ODS waste collection and disposal, a way of setting up ODS disposal infrastructure in the country, and the steps that had been taken to encourage the environmentally-sound collection and disposal of ODS waste in the country; and
- (c) To invite bilateral and implementing agencies to take into account the report referred to in sub-paragraph (a), above, when assisting Article 5 countries in preparing similar projects in the future.

(Decision 86/20)

Reports related to HPMPs

Argentina: HCFC phase-out management plan (stage I – annual progress report) (UNIDO and UNDP)

100. Information relating to the HPMP was set out in paragraphs 31 to 44 of document UNEP/OzL.Pro/ExCom/86/21.

101. The Executive Committee decided:

- (a) To note the annual progress report on the implementation of stage I of the HCFC phase-out management plan (HPMP) for Argentina, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21; and
- (b) To approve, on an exceptional basis and on the understanding that no further extensions would be approved, the extension of stage I of the HPMP to 31 July 2021, owing to the constraints imposed by the coronavirus disease pandemic, which delayed the completion of the activities to support the phase-out of HCFC-141b used as flushing agent by refrigeration servicing technicians.

(Decision 86/21)

Argentina: HCFC phase-out management plan (stage II – update on the financial viability of the enterprise Celpack) (UNIDO)

102. Information relating to the financial viability of the enterprise included in the HPMP was set out in paragraphs 45 to 49 of document UNEP/OzL.Pro/ExCom/86/21.

103. The Executive Committee decided to request the Government of Argentina, through UNIDO, to provide, at its 87th meeting, an update on the financial viability of the enterprise Celpack and with a decision on whether the enterprise would be assisted by the Multilateral Fund under stage II of the HPMP for Argentina, in line with decision 84/64(d)(ii), and, in the event that the enterprise were to be removed from the project, to return the funds associated with the conversion at the 87th meeting.

(Decision 86/22)

Côte d'Ivoire: HCFC phase-out management plan (stage I – report on the adoption of the interministerial decree for regulating import, export, transit, re-export and trade of ODS, and other measures on strengthening monitoring and reporting systems relating to HCFC import and export) (UNEP)

104. Information relating to the report on the adoption of the interministerial decree for regulating import, export, transit, re-export and trade of ODS was set out in paragraphs 50 to 55 of document UNEP/OzL.Pro/ExCom/86/21.

105. The Executive Committee decided:

- (a) To note the report on the adoption of the interministerial decree for regulating import, export, transit, re-export and trade of ODS, and other measures on strengthening monitoring and reporting systems relating to HCFC import and export under stage I of the HCFC phase-out management plan for Côte d'Ivoire, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/86/21; and
- (b) To request the Government of Côte d'Ivoire to provide an update, through UNEP, at the 87th meeting, on the adoption of the interministerial decree for regulating import, export, transit, re-export and trade of ODS.

(Decision 86/23)

Egypt: HCFC phase-out management plan (stage I – progress report) (UNIDO and UNDP)

106. Information relating to the HPMP was set out in paragraphs 56 to 66 of document UNEP/OzL.Pro/ExCom/86/21.

107. The Executive Committee decided:

- (a) To note the progress report on the implementation of the work programme associated with the final tranche of the stage I of the HCFC phase-out management plan (HPMP) for Egypt submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21;
- (b) To note that the conversion of the polyurethane foam manufacturing sector under stage I had been completed;
- (c) To further note that the Government of Egypt had banned the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols on 1 January 2020;
- (d) To approve, on an exceptional basis given the constraints imposed by the coronavirus disease pandemic, the extension of stage I of the HPMP for Egypt to 30 June 2021 to allow the completion of the outstanding enabling activities in the refrigeration and air-conditioning sector, on the understanding that:

- (i) UNDP would financially complete its projects by 31 December 2020;
- (ii) UNIDO would financially complete its projects and submit the project completion reports by 31 December 2021; and
- (e) To request the Government of Egypt and UNIDO to submit the final report on the project on the promotion of low-global-warming-potential refrigerants for the air-conditioning industry (EGYPRA) at the 87th meeting.

(Decision 86/24)

Ghana: HCFC phase-out management plan (stage I - progress report) (UNDP and the Government of Italy)

108. Information relating to the HPMP was set out in paragraphs 67 to 78 of document UNEP/OzL.Pro/ExCom/86/21.

109. The Executive Committee took note of the annual progress report on the implementation of stage I of the HCFC phase out management plan for Ghana, submitted by UNDP and contained in document UNEP/OzL.Pro/ExCom/86/21.

Jordan: HCFC phase-out management plan (stage II – report on the status of implementation of the activities) (World Bank)

110. Information relating to the HPMP was set out in paragraphs 79 to 94 of document UNEP/OzL.Pro/ExCom/86/21.

111. The Executive Committee decided:

- (a) To note the report on the status of implementation of the activities in stage II of the HCFC phase-out management plan for Jordan, submitted by the World Bank and contained in document UNEP/OzL.Pro/ExCom/86/21; and
- (b) To approve the change of technology in the conversion of the enterprise Abu Haltam from hydrofluoroolefins to a cyclopentane foam-blowing agent, on the understanding that any additional costs incurred would be covered by the enterprise.

(Decision 86/25)

Libya: HCFC phase-out management plan (stage I – progress report) (UNIDO)

112. Information relating to the HPMP was set out in paragraphs 95 to 109 of document UNEP/OzL.Pro/ExCom/86/21.

113. The Executive Committee decided:

- (a) To note the progress report on the implementation of stage I of the HCFC phase-out management plan (HPMP) for Libya, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21; and
- (b) To note also that the Fund Secretariat had updated the Agreement between the Government of Libya and the Executive Committee, as contained in Annex VIII to the present report, specifically paragraph 1 and Appendix 2-A, to extend stage I of the HPMP to 31 December

2021, and paragraph 16, added to indicate that the updated Agreement superseded that reached at the 75th meeting.

(Decision 86/26)

Malaysia: HCFC phase-out management plan (stage II – change in technology at 11 enterprises) (UNDP)

114. Information relating to the HPMP was set out in paragraphs 110 to 119 of document UNEP/OzL.Pro/ExCom/86/21.

115. The Executive Committee decided:

- (a) To note the request for a change in technology in 11 foam enterprises, from hydrofluoroolefins (HFOs) to pre-blended cyclopentane polyol systems in the context of stage II of the HCFC phase-out management plan for Malaysia, submitted by UNDP on behalf of the Government of Malaysia and contained in document UNEP/OzL.Pro/ExCom/86/21; and
- (b) To approve the change in technology for those 11 foam enterprises, from HFOs to pre-blended cyclopentane polyol systems, on the understanding that the conversions would not be delayed and any additional costs incurred would be covered by the enterprises.

(Decision 86/27)

Maldives: HCFC phase-out management plan and demonstration project for HCFC-free low-GWP alternatives in refrigeration in the fisheries sector – progress report (UNEP and UNDP)

116. Information relating to the HPMP including an update on the demonstration project for HCFC-free, low-GWP alternatives in refrigeration for the fisheries sector was set out in paragraphs 120 to 129 of document UNEP/OzL.Pro/ExCom/86/21.

117. The Executive Committee decided:

- (a) To note the report on the implementation of the HCFC phase-out management plan (HPMP) for Maldives, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/86/21;
- (b) To note also the project completion report (PCR) for the demonstration project for HCFC-free low-global-warming potential alternatives in refrigeration in the fisheries sector in Maldives submitted by UNDP, in line with decision 84/21; and
- (c) To approve, on an exceptional basis, owing to the delays imposed by the coronavirus disease pandemic, the request of the Government of Maldives to extend the completion date of the HPMP from 31 December 2020 to 30 June 2021, and to request UNEP to submit, no later than the 89th meeting, the PCR for the HPMP.

(Decision 86/28)

Morocco: HCFC phase-out management plan (stage I – verification report) (UNIDO)

118. Information relating to the verification report of the HPMP was set out in paragraphs 130 to 135 of document UNEP/OzL.Pro/ExCom/86/21.

119. The Executive Committee took note of the verification report on HCFC consumption in 2019 for Morocco, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21.

Qatar: HCFC phase-out management plan (stage I – final progress report) (UNIDO and UNEP)

120. Information relating to the HPMP was contained in document UNEP/OzL.Pro/ExCom/86/70. In response to a comment by one member, it was confirmed that outstanding training activities in the servicing sector would commence on 2 December 2020 and that all planned activities would be completed by 31 December 2020.

121. The Executive Committee decided:

- (a) To note the final progress report on the implementation of the work programme associated with the first and final tranches of stage I of the HCFC phase-out management plan (HPMP) for Qatar, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/70; and
- (b) To approve, on an exceptional basis, the extension of the completion date of stage I of the HPMP for Qatar, from 30 June 2020 to 31 December 2020, on the understanding that the project would be financially completed by 1 March 2021 and that an additional 0.41 ODP tonnes of HCFC-22 would be deducted from the country's remaining HCFC consumption eligible for funding under stage II of the HPMP.

(Decision 86/29)

Tunisia: HCFC phase-out management plan (stage I – progress report) (UNIDO, UNEP, and the Government of France)

122. Information relating to the HPMP was set out in paragraphs 136 to 144 of document UNEP/OzL.Pro/ExCom/86/21.

123. The Executive Committee decided:

- (a) To note the progress report on the implementation of stage I of the HCFC phase-out management plan (HPMP) for Tunisia, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21;
- (b) To request the Government of France to submit a detailed report on the results of the pilot demonstration project for the use of zero-ODP and low-global-warming-potential alternative technologies by small and medium-sized users in the servicing sector once it has been completed, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d); and
- (c) To request the Government of Tunisia, UNIDO, as lead implementing agency, UNEP and the Government of France to submit the final progress report on the implementation of the work programme associated with stage I of the HPMP at the 88th meeting and to submit the project completion report at the second meeting of the Executive Committee in 2022.

(Decision 86/30)

Methyl bromide

Argentina: Methyl bromide phase-out plan (UNIDO)

124. Information relating to the methyl bromide report was set out in paragraphs 145 to 147 of document UNEP/OzL.Pro/ExCom/86/21.

125. The Executive Committee noted that the reported level of consumption of methyl bromide for Argentina in 2019 was zero, as per the Agreement between the Government and the Executive Committee, except for the critical-use exemptions approved by the Parties to the Montreal Protocol.

Request for extension of enabling activities (UNEP)

126. Information relating to the request for extension of enabling activities was set out in paragraphs 148 to 150 of document UNEP/OzL.Pro/ExCom/86/21.

127. The Executive Committee decided:

- (a) To note the request for extension of enabling activities for HFC phase-down submitted by the Government of the Syrian Arab Republic and contained in document UNEP/OzL.Pro/ExCom/86/21; and
- (b) To extend the completion date of the enabling activities for HFC phase-down for the Syrian Arab Republic to 31 December 2021, on the understanding that no further extension would be requested and that UNEP would submit, within six months of the project completion date, a final report on the enabling activities completed, in line with decision 81/32(b).

(Decision 86/31)

128. The Executive Committee agreed to defer to a future meeting consideration of the progress report on implementation of stage I of the HPMP for the Democratic People's Republic of Korea, contained Section II of document UNEP/OzL.Pro/ExCom/86/21, in paragraphs 151 to 161.

129. The Executive Committee then considered the reports on projects with specific reporting requirements for China contained in documents UNEP/OzL.Pro/ExCom/86/21/Add.1 and Corr.1.

130. During the IAP-86, the Executive Committee agreed to consider all parts of the addendum, except part IV, report on progress in the implementation of activities listed in decision 83/41, and part V, study to determine the regulatory, enforcement, policy or market circumstances that might have led to the illegal production and use of CFC-11 and CFC-12 (decision 83/41(d)), which it agreed to defer to a future meeting.

Part I: Stage I of the HCFC phase-out management plan for China

131. An overview of stage I of the HPMP for China, including a summary of the status of implementation of the six sector plans, was presented in paragraphs 3 to 14 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

132. The Executive Committee decided to request the Treasurer to offset the interest accrued by the Government of China up to 31 December 2019 on funds previously transferred for the implementation of sector plans under stages I and II of the HCFC phase-out management plan (HPMP) for the country, as per decisions 69/24 and 77/49(b)(iii), as follows:

- (a) To offset future transfers to UNIDO by US \$5,665 representing interest accrued by the Government of China up to 31 December 2019 on funds previously transferred for the implementation of the extruded polystyrene foam sector plan under stages I and II of the HPMP;
- (b) To offset future transfers to the World Bank by US \$3,879, representing interest accrued by the Government of China up to 31 December 2019 on funds previously transferred for the implementation of the polyurethane foam sector plan under stages I and II of the HPMP;
- (c) To offset future transfers to UNDP by US \$86,874, representing interest accrued by the Government of China up to 31 December 2019 on funds previously transferred for the implementation of the industrial and commercial refrigeration sector plan under stages I and II of the HPMP;
- (d) To offset future transfers to UNIDO by US \$26,213, representing interest accrued by the Government of China up to 31 December 2019 on funds previously transferred for the implementation of the room air-conditioning sector plan under stage I of the HPMP, and the room air-conditioning manufacturing and heat-pump water heater sector plan under stage II of the HPMP;
- (e) To offset future transfers to UNEP by US \$7,472, representing interest accrued by the Government of China up to 31 December 2019 on funds previously transferred for the implementation of the refrigeration servicing sector plan and the national enabling programme under stages I and II of the HPMP; and
- (f) To offset future transfers to UNDP by US \$891, representing interest accrued by the Government of China up to 31 December 2019 on funds previously transferred for the implementation of the solvent sector plan under stage II of the HPMP.

(Decision 86/32)

Progress report on stage I of the room air-conditioning sector plan (UNIDO)

133. Information relating to stage I of the room air-conditioning (RAC) sector plan was set out in paragraphs 16 to 27 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

134. In response to a comment by one member, UNIDO provided information on the activities to enhance the market penetration of R-290 technology, including a research project initiated in October 2020 to review the supply chain and analyse the market situation, continued incremental operating cost subsidies and additional focused technical assistance activities during the implementation of stage II of the HPMP. Regarding the balances remaining from other sectors under stage I, another member noted that the completion of stage I of the HPMP and the return of any balances had already been included in the Agreement between the Government of China and the Executive Committee and the decisions related to the individual sector plans. Subsequent to further consultations, UNIDO indicated that the Government of China agreed to retain the Secretariat's recommendation as originally proposed.

135. The Executive Committee decided:

- (a) To note the progress report on the implementation of the room air-conditioning (RAC) sector plan of stage I of the HCFC phase-out management plan for China (HPMP), including the progress on the effect of the incremental operating cost incentive scheme on

the market uptake of R-290 split air-conditioning units in China, submitted by UNIDO in line with decision 84/68;

- (b) To note the revision to the incremental operating cost incentive scheme for the RAC sector plan, as reflected in document UNEP/OzL.Pro/ExCom/86/21/Add.1;
- (c) To approve the extension, on an exceptional basis, of implementation of the RAC sector plan of stage I of the HPMP for China to 31 December 2021, noting that the coronavirus disease pandemic had affected the manufacturing and marketing of R-290 RAC equipment, and on the understanding that no further extension would be requested and that any remaining balances from other sectors under stage I that had been completed would be returned in line with the process of financial completion of those sectors; and
- (d) To request the Government of China and UNIDO to submit progress reports on the implementation of the work programme associated with the final tranche of the RAC sector plan on a yearly basis until completion of the project and the project completion report by 30 June 2022, and to return any remaining balances by 31 December 2022.

(Decision 86/33)

Part II: Stage II of the HCFC phase-out management plan for China

136. Information relating to stage II of the HPMP for China was set out in paragraphs 28 to 51 of document UNEP/OzL.Pro/ExCom/86/21/Add.1. Several members raised questions on various aspects of the proposal.

137. Given the substantial reduction in funding for stage II of the HPMP, one member proposed to modify the Secretariat's recommendation to change the definition of a major change to 30 per cent of the last approved tranche in paragraph 7(a)(iv) of the draft revised Agreement between the Government, as proposed by the Government of China. Conversely, several members raised questions about the rationale, scope and consistency with decision 84/69 of a change to the definition of a major change. UNDP, as lead agency, explained that the Government of China had noted that such a change was consistent with the template approved for stage II of HPMPs for Article 5 countries. Furthermore, additional flexibility was required to implement the six revised sector plans for stage II of the HPMP for China with a substantial reduction in funding and a larger workload, including additional HCFC tonnage to be phased out by the RAC manufacturing and heat-pump water heater sector plan, industrial and commercial refrigeration (ICR) and refrigeration and air-conditioning servicing sectors and the enabling programme.

138. The Government of China also considered that the proposed definition of a major change was consistent with decision 84/69(a)(vii), which requested the submission of a draft revised Agreement reflecting only the relevant outcomes approved at the 84th meeting. Its understanding of decision 84/69(a)(iii) was that the submission of a draft revised Agreement was not limited to changes to Appendix 2-A, given the substantial reduction of funding and the additional HCFC phase-out to be achieved during the period 2021–2026. The Government of China also clarified that the 30 per cent threshold that defined a major change would be applied to each tranche under each sector plan rather than to each tranche of the HPMP in their entirety, containing all sector tranches.

139. Upon further consultations, the Government of China reaffirmed that, on the basis of the revised sector plans for stage II of HPMP, it considered that there may be a need for more flexibility in implementation, particularly for the sector plans that had a smaller amount of funding in one of the tranches in light of the strict schedule of HCFC phase-out and challenges associated with promoting environmentally friendly alternatives. In view of the comments and concerns raised by a number of Executive Committee

members on this issue, however, and in the spirit of compromise, China agreed to maintain the definition of a major change in paragraph 7(a)(iv) in the Agreement approved at the 79th meeting.

140. Regarding the penalty specified in Appendix 7-A of the Agreement, one member proposed that the penalty be adjusted to US \$40.32 per ODP kg, given that the actual phase-out amount of HCFC-141b in the revised stage II of the HPMP for China would be 4,903.7 ODP tonnes. The Secretariat clarified that the methodology that had been used to calculate the penalty in stage II (79th meeting) was the same as had been used in stage I (67th meeting), and the same as used for other non-low-volume-consuming (non-LVC) countries, using the HCFC tonnage to be phased out during the stage in question, as in rows 4.1.1, 4.2.1, 4.3.1, 4.4.1, 4.5.1 and 4.6.1 of Appendix 2-A of the Agreement. Noting that there were no changes in the tonnage of HCFC-141b to be phased out in the adjusted stage II compared with the original stage II, the Secretariat had used as reference the same tonnage of HCFC-141b (4,187.18 ODP tonnes in line 4.4.1 of the Agreement), obtaining a penalty of US \$42.82 per ODP kg. Subsequent to further consultations, UNDP informed the Committee that, while the Government of China had expressed a different understanding of the calculation of the penalty clause, it could agree to the Secretariat's calculation of the penalty clause at US \$42.82 per ODP kg.

141. The representative of Japan expressed support for the revised plan and recommendations for stage II of the HPMP for China and agreed with the revised sector plan for the bilateral cooperation by Japan, on the understanding that the agreed contribution by Japan to the 2021 tranche would remain US \$240,000, plus agency support costs of US \$31,200, and would not be increased for any reason.

142. In response to a query from one member, the Secretariat clarified that the reason for the difference in phase-out in the production and consumption sectors was due to the production of HCFCs for export. China's HCFC production for controlled uses was intended both for China's domestic market and for export markets; accordingly, the strategy used to develop stage II of the HCFC production phase-out management plan (HPPMP) had taken into account future demand for HCFCs in China and importing countries. Responding to a question about how the phase-out strategy envisaged to synchronize the production and consumption sectors and ensure a smooth parallel HCFC phase-out, UNDP explained that, in the HPPMP, HCFCs would be phased out through total and domestic production quota reductions and the closure of production lines. The domestic production quota was used to control the total HCFC quantities produced and sold in the domestic market and was synchronized with the HCFC reduction target in the consumption sectors. In the consumption sectors, actions including manufacturing line conversions and policy measures would be taken to phase out HCFCs in line with the consumption sector targets specified in the Agreement.

143. Noting that in 2019 the servicing sector appeared to consume 20 to 25 per cent of the HCFC production in the country, and that additional leakage was accruing from industrial and solvent processes, one member asked for more information on the strategy to address those issues. UNEP explained that the revised extended action plan for the refrigeration servicing sector would reduce HCFC consumption in the following ways: by reducing refrigerant leakage during operation of equipment through improvements to equipment installation, maintenance and servicing quality; by reducing the use and emission of HCFCs during equipment servicing and maintenance through the implementation of good practices and the recovery and reuse of refrigerant during the process; by prohibiting the direct release of refrigerant owing to the establishment of strict regulations and standards; and by reducing direct emission of refrigerant from end-of-life equipment through the establishment of HCFC refrigerant reclamation and disposal systems. Such approaches would be supported by the policies, regulations, standards, qualification certification, training, refrigerant life-cycle management systems and outreach activities to be implemented in stage II, as well as capacity-building activities at the national and local levels.

144. Regarding the proposal by one member to introduce building standards (such as the Building Research Establishment Environmental Assessment Method (BREEAM)), UNEP informed the Committee that the Government of China appreciated the idea of following building codes under stage II of the HPMP and had said that it would take building standards into consideration during implementation. China's Green

Building Standard currently included consideration of the energy efficiency of cooling equipment, but did not yet include the issue of refrigerant choice. Nevertheless, China was already conducting dual certification of the China Green Building Label and other standards, namely BREEAM from the United Kingdom, the German Sustainable Building Council and the High Quality Environmental standard from France.

145. The same member also asked about the strategy and action plan in the manufacturing sector to address the promotion of energy-efficient and less leakage-prone alternatives, such as the introduction of zero- to low-GWP alternative technologies and processes, including not-in-kind technologies, and welcomed updates on the activities undertaken in relation to not-in-kind technologies in upcoming tranche requests. UNDP explained that in the revised sector plans of the manufacturing sectors, various low-GWP alternatives had been chosen to replace HCFCs on the basis of the specific situation of each sector. China was open to the selection of alternative technologies and welcomed low-GWP alternative technologies and processes, including not-in-kind technologies. Activities in relation to not-in-kind technologies would be further developed in future tranche requests for the relevant sectors.

146. Subsequently, the Executive Committee decided:

- (a) To note:
 - (i) The revised extended plans of action in stage II of the HCFC phase-out management plan (HPMP for China for the industrial and commercial refrigeration, room air-conditioning manufacturing and heat-pump water heater and refrigeration servicing sectors and national enabling programme, submitted in line with decision 84/69(a)(iii), and the revised plans of action in stage II for the extruded polystyrene foam, polyurethane foam and solvent sectors, submitted in line with decision 84/69(a)(iv);
 - (ii) The draft revised stage II Agreement of the HPMP between the Government of China and the Executive Committee reflecting only the relevant outcomes approved at the 84th meeting or those relevant to decision 84/69(a)(iii), (iv) and (vii); and
- (b) To approve the revised Agreement between the Government of China and the Executive Committee for the implementation of stage II of the HPMP for the country contained in Annex IX to the present report.

(Decision 86/34)

Part III: Revised sector plans for stage II of the HPMP for China

Revised extended industrial and commercial refrigeration sector plan (UNDP)

147. Information relating to stage II of the ICR sector plan was set out in paragraphs 54 to 100 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

148. The Executive Committee decided:

- (a) To approve the revised plan of action to extend until 2026 stage II of the industrial and commercial refrigeration and air-conditioning (ICR) sector plan, and the maximum allowable sectoral consumption levels of HCFCs as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1; and

- (b) To note that under stage II of the ICR sector plan, the Government of China agreed:
- (i) That a maximum quantity of 1,463 metric tonnes in the unitary air-conditioning (UAC) sub-sector could be converted to HFC-32;
 - (ii) That China would have flexibility to convert to alternatives with a lower global-warming potential (GWP) than HFC-32 as long as the cost of the conversion and the tonnage to be phased out remained the same;
 - (iii) That China would have flexibility to convert industrial and commercial heat-pump water heater lines to HFC-32 on the understanding that the UAC, water chiller (heat pump) and industrial and commercial heat-pump water heater conversions to HFC-32 combined would not exceed 1,463 metric tonnes;
 - (iv) That at least 30 per cent of the total phase-out of HCFC-22 funded by the Multilateral Fund in the ICR sector during the period 2021–2026 would be from the conversion of small- and medium-sized enterprises (i.e. those consuming 50 metric tonnes or less); and
 - (v) That, in sectors other than the UAC sub-sector, China would have flexibility to select which technology to use from among the low-GWP technologies identified in Table 3 of paragraph 71 of document UNEP/OzL.Pro/ExCom/86/21/Add.1, 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 the range would be reported to the Executive Committee for its consideration.

(Decision 86/35)

Revised extended room air-conditioning manufacturing and heat pump water heaters sector plan
(UNIDO, Governments of Austria and Italy)

149. Information relating to stage II of the revised extended RAC manufacturing and heat-pump water heater sector plan was set out in paragraphs 101 to 138 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

150. One member suggested deleting the recommendation related to the non-Article 5 ownership of any RAC manufacturing lines wishing to participate in the revised extended RAC manufacturing and heat-pump water heater sector plan, as funding should be in accordance with policies of the Multilateral Fund. Subsequent to further consultations, the Government of China, through UNDP, expressed its flexibility about maintaining the paragraph. Another member suggested maintaining the same cost-effectiveness for conversions funded in the revised extended sector plan as for conversions in the previous plan, which would imply a commitment to convert approximately 13 lines under stage II. While noting that stage II of the HPMP would likely entail the conversion of manufacturing lines with smaller capacity, which were less cost-effective, that the conversion cost per line was lower than under stage I, and that the focus of stage II had shifted to promoting the commercialization and market acceptance of RAC systems using R-290, the Government of China, through UNIDO, expressed its willingness to convert 12 manufacturing lines to R-290.

151. Subsequently, the Executive Committee decided:

- (a) To approve the revised plan of action to extend until 2026 stage II of the room air-conditioning (RAC) manufacturing and heat-pump water heater sector plan, and the maximum allowable sectoral consumption levels of HCFC as described in

document UNEP/OzL.Pro/ExCom/86/21/Add.1;

- (b) To note that under stage II of the revised extended RAC manufacturing and heat-pump water heater sector plan, the Government of China agreed to convert at least:
 - (i) Twelve manufacturing lines for the production of RAC equipment to R-290;
 - (ii) Four compressor manufacturing lines to R-290; and
 - (iii) Three residential heat-pump water heater manufacturing lines to R-290;
- (c) To request UNIDO to include in the request for the third tranche of the revised extended RAC manufacturing and heat-pump water heater sector plan to be submitted at the last meeting of 2021 information on the level of sales of RAC split units using R-290; and
- (d) To note that the Government of China, through UNIDO, would inform the Executive Committee of the non-Article 5 ownership of any RAC manufacturing lines wishing to participate in the revised extended RAC manufacturing and heat-pump water heater sector plan, and to propose either a reallocation of the funds associated with the non-Article 5 ownership to other activities in the plan or to return the funds to the Multilateral Fund.

(Decision 86/36)

Revised extended refrigeration servicing sector plan and national enabling programme (UNEP, the Governments of Germany and Japan)

152. Information relating to stage II of the revised extended refrigeration servicing sector plan and national enabling programme was set out in paragraphs 139 to 157 of documents UNEP/OzL.Pro/ExCom/86/21/Add.1. and Corr.1.

153. The Executive Committee decided to approve the revised plan of action to extend until 2026 stage II of the refrigeration servicing sector and national enabling programme sector plan submitted by UNEP in line with decision 84/69(a)(iii), as described in documents UNEP/OzL.Pro/ExCom/86/21/Add.1 and Corr.1.

(Decision 86/37)

Revised extruded polystyrene foam sector plan (UNIDO, Germany)

154. Information relating to stage II of the revised extruded polystyrene foam sector plan was set out in paragraphs 158 to 186 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

155. The Executive Committee decided to approve the revised plan of action for stage II of the extruded polystyrene foam sector plan, submitted by UNIDO in line with decision 84/69(a)(iv)b. and (v), as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

(Decision 86/38)

Revised polyurethane foam sector plan (World Bank)

156. Information relating to stage II of the revised polyurethane (PU) foam sector plan was set out in paragraphs 187 to 227 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

157. The Executive Committee decided to approve the revised plan of action for stage II of the polyurethane foam sector plan, submitted by the World Bank in line with decision 84/69(a)(iv)b. and (v), as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

(Decision 86/39)

Revised solvent sector plan (UNDP)

158. Information relating to stage II of the revised solvent sector plan was set out in paragraphs 228 to 250 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

159. The Executive Committee decided to approve the revised plan of action for stage II of the solvent sector plan, submitted by UNDP in line with decision 84/69(a)(iv)b. and (v), as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

(Decision 86/40)

Part VI: Financial audit reports for the CFC production, halon, polyurethane foam, process agent II, refrigeration servicing and solvent sectors

160. Information relating to the financial audit reports for the CFC production, halon, PU foam, process agent II, refrigeration servicing and solvent sectors was set out in paragraphs 257 to 264 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

161. The Executive Committee decided:

- (a) To note:
 - (i) The financial audit reports for the CFC production, halon, polyurethane (PU) foam, process agent II, solvent and servicing sectors in China, contained in document UNEP/OzL.Pro/ExCom/86/21/Add.1;
 - (ii) That the World Bank would return, at the 86th meeting, the remaining balance of US \$314,015 from the CFC production and PU foam sectors, and accumulated interest of US \$22,119;
 - (iii) That UNIDO would return, at the 86th meeting, the remaining balance of US \$752 from the refrigeration servicing sector, plus accumulated interest of US \$99,178;
 - (iv) That UNDP would return at the 86th meeting US \$356,151 in accumulated interest from the solvent sector plan;
- (b) To request the World Bank to submit, at the 87th meeting, the financial audit reports for the halon and process agent II sector plans due to be completed by 31 December 2020, in line with decision 84/39(b), together with the corresponding project completion reports (PCRs) and any balances remaining as at 31 December 2020; and
- (c) To request the Senior Monitoring and Evaluation Officer to work with the relevant implementing agency to ensure that the PCRs submitted for the CFC production, PU foam, refrigeration servicing and solvent sector plans reflected disbursements to final beneficiaries, consistent with the information provided in the financial audit reports submitted to the 86th meeting.

(Decision 86/41)

Part VII: Sector plan for the phase-out of methyl bromide production

162. Information relating to the phase-out plan for methyl bromide production was set out in paragraphs 265 to 273 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

163. One member sought additional information on the 2014 case of illegal production of methyl bromide and UNIDO informed the Committee that the illegal methyl bromide production facility had been dismantled, that the methyl bromide that had been illegally produced had been disposed of and that the case had been closed with the people involved prosecuted.

164. In response to comments made by another member, UNIDO provided additional information on the monitoring, reporting and verification system in place to avoid the risk of illegal methyl bromide production, including the recording and management of methyl bromide production data, which was incorporated in the ODS monitoring and enforcement programme, and the ongoing establishment of a methyl bromide labelling and traceability system. With regard to atmospheric monitoring of methyl bromide, the Government of China was establishing an ODS atmospheric monitoring network in phases.

165. In view of the new information provided, one member felt it necessary to discuss the matter further upon submission, at the last Executive Committee meeting of 2021, of the subsequent progress report on the phase-out plan for methyl bromide production. In particular, the member wished to know more about the quantity of methyl bromide produced at the facility between 2011 and 2014, or a best estimate thereof; the amount of methyl bromide that had been destroyed to offset such production; whether methyl bromide was produced for controlled uses or other uses; whether the amounts produced and any amount subsequently destroyed had been reported under Article 7 of the Protocol; and how those amounts related to the maximum allowable level of consumption under the Agreement with the Executive Committee. He further mentioned that the situation was an indication that the Executive Committee should consider updating its monitoring, reporting, verification and enforcement procedures to ensure that the right framework and incentives were in place to prevent production and consumption of controlled substances that did not conform to active and completed agreements with the Executive Committee. Another member noted the information provided and expressed his delegation's wish for an opportunity to hold further discussions on monitoring, reporting and verification in the context of the Sub-group on the Production Sector, and referred to the importance of pertinent Executive Committee decisions on the matter.

166. The Executive Committee took note of the report on the status of implementation of the sector plan for the phase-out of methyl bromide production in China, and the update regarding the methyl bromide labelling and traceability system, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

167. During the IAPext-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/21/Add.2.

Sri Lanka: HCFC phase-out management plan (stage II – verification report) (UNDP/UNEP)

168. The Executive Committee considered information relating to the updated verification report on the HCFC consumption for Sri Lanka for the period 2016–2019, prepared in response to decision 86/80 below and set out in document UNEP/OzL.Pro/ExCom/86/21/Add.2.

169. Members recognized the efforts by the Government of Sri Lanka in initiating action to revise its CP and Article 7 data reports for 2016 and 2017 to make them consistent with the verified consumption, taking steps to ensure its return to compliance, and committing to strengthening reporting mechanisms and enforcement to ensure that malpractices in recording imports did not recur. Members further agreed to apply the penalty clause in the Agreement between the country and the Executive Committee for stage I of the HPMP.

170. Noting the intention of the Government of Sri Lanka to revise its Article 7 data such that it would indicate that the country was above the Montreal Protocol target for 2016, one member sought confirmation that the matter would be referred to the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol. The Secretariat had noted that the HCFC consumption reported for 2016 and 2017 under Article 7 would be revised in line with the verification report and had consulted the Ozone Secretariat on the situation of the country. The Ozone Secretariat had informed the Fund Secretariat that it would review the revised data and present the case to the Implementation Committee for consideration. The Secretariat was further informed that the likely recommendation by the Implementation Committee would be that the country was in non-compliance with its HCFC consumption obligations for 2016, but that no further action would be taken on the matter as the country had returned to compliance.

171. The Executive Committee decided:

- (a) To note the updated verification report on HCFC consumption for 2016 to 2019 for Sri Lanka, submitted by UNDP and contained in document UNEP/OzL.Pro/ExCom/86/21/Add.2;
- (b) To note also:
 - (i) That the Government of Sri Lanka had initiated actions to revise its country programme and Article 7 data reports for 2016 and 2017 in accordance with the verified consumption;
 - (ii) With concern that the HCFC consumption in 2016 in Sri Lanka exceeded the target under the Montreal Protocol and the maximum allowable consumption set in the Agreement between the Government of Sri Lanka and the Executive Committee for that year, by 0.23 ODP tonnes (4.18 metric tonnes);
 - (iii) That the Government of Sri Lanka had undertaken the necessary steps to return to compliance as noted in the verified consumption for 2017 to 2019, which showed that the country was in compliance;
 - (iv) That the Government was committed to ensuring that the malpractice in imports did not recur in the future by strengthening the reporting mechanism between the national ozone unit and the Customs Authorities and appropriate enforcement adjustments;
- (c) To apply, to the first tranche of stage II of the HCFC phase-out management plan (HPMP) for Sri Lanka, a reduction in funding as per paragraph 11 and Appendix 7-A of the Agreement between the Government of Sri Lanka and the Executive Committee for stage I of the HPMP, calculated at US \$2,500 for each metric tonne of HCFC consumption over the maximum allowable consumption limit, resulting in a penalty of US \$11,463, consisting of US \$6,270, plus agency support costs of US \$470 for UNDP, and US \$4,180, plus agency support costs of US \$543 for UNEP;
- (d) To request the Treasurer to release the hitherto withheld funding approved for the first tranche of stage II of the HPMP for Sri Lanka, in the amount of US \$458,238, consisting of US \$216,200, plus agency support costs of US \$15,134 for UNDP, and US \$200,800, plus agency support costs of US \$26,104 for UNEP, taking into account sub-paragraph (c) above.

(Decision 86/42)

(c) 2020 consolidated project completion report

172. During the IAP-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/22.

173. The Executive Committee decided:

- (a) To note the 2020 consolidated project completion report (PCR) contained in document UNEP/OzL.Pro/ExCom/86/22;
- (b) To urge bilateral and implementing agencies to submit, at the 87th meeting, outstanding PCRs for multi-year agreements (MYAs) and individual projects, or to provide reasons for failing to do so;
- (c) To urge lead and cooperating agencies to coordinate their work closely in finalizing their portions of the PCRs to allow the lead implementing agency to submit the completed PCRs on schedule;
- (d) To urge bilateral and implementing agencies to enter clear, well-written and thorough lessons 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 86/43)

AGENDA ITEM 8: BUSINESS PLANNING

(a) Update on the status of implementation of the 2020-2022 consolidated business plan of the Multilateral Fund

174. During the IAPext-86, the Executive Committee considered the information relating to the status of implementation of the 2020–2022 consolidated business plan set out in document UNEP/OzL.Pro/ExCom/86/23.

175. The Executive Committee noted:

- (a) The update on the status of implementation of the 2020–2022 consolidated business plan of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/86/23; and
- (b) That the total value of activities submitted to the postponed 86th meeting amounted to US \$20,751,671 (including US \$20,374,686 for HFC-related activities), of which US \$17,453,416 was associated with project proposals not included in the 2020 business plan.

(b) Tranche submission delays

176. During the IAP-86, the Executive Committee considered the report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/86/24.

177. In response to a comment by one member, the Secretariat indicated that the rate of non-submission of tranches at the 86th meeting was 52.8 per cent. Another member drew attention to the need to consider flexibility in the tranche submissions of Article 5 countries as the uncertainties arising from the COVID-19 pandemic continued and countries did not have full knowledge about its consequences in the year to follow.

178. The Executive Committee decided:

- (a) To note:
 - (i) The report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/86/24;
 - (ii) The information on tranche submission delays under HCFC phase-out management plans (HPMPs) submitted by the Governments of Italy and Japan, and UNDP, UNEP, UNIDO and the World Bank;
 - (iii) That 42 out of 89 activities (in 29 out of 66 countries) related to tranches of HPMPs due for submission at the 86th meeting had been submitted on time;
 - (iv) That relevant bilateral and implementing agencies had indicated that the late submission of the tranches of HPMPs due for submission at the second meeting of 2020 would have no impact, or was unlikely to have an impact, on compliance with the Montreal Protocol, and that there was 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 the relevant Governments regarding the decisions on tranche submission delays contained in Annex X to the present report.

(Decision 86/44)

(c) Consolidated business plan of the Multilateral Fund for 2021–2023

179. During the IAPext-86, the Executive Committee considered the consolidated business plan of the Multilateral Fund for 2021–2023 contained in document UNEP/OzL.Pro/ExCom/86/25.

180. Noting that there was no consensus to proceed with a technical audit of an HCFC production enterprise in India (see decision 86/102), members requested that the activities relating to the HPPMP for India be removed from the consolidated business plan.

181. With regard to the regional HCFC technical assistance project for promoting low-GWP refrigerants for air-conditioning sectors in high-ambient-temperature countries (PRAHA-III), UNEP provided clarification and additional information on the project, in particular the division of the total budget between the two agencies; the activities foreseen to stimulate market acceptance of alternative technologies; and the distribution of the results of the project to and the sharing of experience with high-ambient-temperature countries and other countries.

182. While support was expressed by a few members for reinstating the PRAHA-III project, one member pointed out that there was no funding window for such technical assistance projects and noted that the work required to address low- to zero-GWP alternatives was outlined in decision XXVIII/2 of the Parties.

183. A proposal to refer to decision XXXII/1 of the Parties, on the interim budget for the Multilateral Fund for the triennium 2021–2023, instead of referring to the level of replenishment of the Multilateral Fund for the triennium 2021–2023 when adjusting the business plan, was withdrawn following the clarification provided by the Secretariat.

184. In response to requests for additional information, the Secretariat provided various statistical data relating to HFC activities, ranging from the number of countries that had received funding for such activities, to the HFC activities that had been planned and their related values in the business plans. It also

recalled that, pending the finalization of both the guidelines for the preparation of HFC phase-down plans and the cost guidelines for the phase-down of HFCs, the costs that would be needed in 2021–2023 to enable compliance in 2024 for Article 5 group 1 countries that had ratified the Kigali Amendment could not be estimated. The Secretariat also explained the activities covered by the HPMP verification for 18 LVC countries that was included in the business plans annually, in line with decision 61/46(c).

185. The Executive Committee decided:

- (a) To note the consolidated business plan of the Multilateral Fund for 2021–2023 contained in document UNEP/OzL.Pro/ExCom/86/25;
- (b) To decide:
 - (i) To adjust the business plan as proposed by the Secretariat in document UNEP/OzL.Pro/ExCom/86/25;
 - (ii) To further adjust the business plan:
 - a. By adding to the 2021 business plan the HCFC phase-out management plans (HPMPs), HFC phase-down plan preparation and a HFC-23 by-product control project that had been deferred at the 86th meeting;
 - b. By taking into account the level of replenishment of the Multilateral Fund for the triennium 2021–2023 once adopted by the Meeting of the Parties to the Montreal Protocol; and
- (c) To endorse the consolidated business plan of the Multilateral Fund for 2021–2023, as adjusted by the Secretariat and the Executive Committee, taking into consideration relevant decisions taken at the 86th meeting, while noting that endorsement did not denote approval of the projects identified therein or of their funding or tonnage levels.

(Decision 86/45)

(d) Business plans of the bilateral and implementing agencies for 2021–2023

(i) Bilateral agencies

186. During the IAPext-86, the Executive Committee considered information relating to the bilateral agencies' business plans for 2021–2023 contained in document UNEP/OzL.Pro/ExCom/86/26.

187. The Executive Committee took note of the business plans of the bilateral agencies for 2021–2023, submitted by the Governments of Germany, Japan and the United Kingdom of Great Britain and Northern Ireland and contained in document UNEP/OzL.Pro/ExCom/86/26.

(ii) UNDP

188. During the IAPext-86, the Executive Committee considered the UNDP business plan for 2021–2023 contained in document UNEP/OzL.Pro/ExCom/86/27.

189. One member requested additional information on the policy issues related to the cost guidelines for HFC phase-down raised in the document, namely the funding of incremental costs and the use of such funds to achieve compliance targets and consultations or coordination with other institutions on energy efficiency.

190. The Secretariat provided clarification regarding the established process to address policy issues raised in the business plans. With regard to funding incremental costs and the use of such funds to achieve compliance targets, noting that the market uptake of low-GWP alternatives during implementation of stage I of HPMPs had been slower than originally expected for various reasons, UNDP considered it relevant to explore ways to expedite market transformation by providing opportunities for manufacturers of equipment based on low-GWP alternatives, such as flexibility in using incremental operating costs as incentives when there was a strong justification for doing so and a clear plan for how the funds would be used. The Secretariat noted however that, in line with existing guidelines and decisions, flexibility was already being applied in some projects, and that strong policy drivers at the national and regional levels were essential for the sustainable adoption of those technologies.

191. With regard to the matter on energy efficiency, UNDP believed, among other things, that with additional resources, MEPS-related interventions could be considered eligible for funding from the Multilateral Fund. Furthermore, the Montreal Protocol, given that all countries were party, could take actions on MEPS and a labeling system to achieve the economies of scale needed by the industries for their investments and to phase out the worst products from the market by improving standards in many Article 5 countries. UNDP also noted that consultation among institutions could help identify which of them was in the best position to do what in terms of enhancing cooling efficiency. UNDP further indicated that it had been making efforts to support Article 5 countries in raising their ambitions regarding the climate and to include the cooling sector in their nationally determined contributions. It hoped that that could help mobilize more resources for initiatives and innovations on sustainable cooling.

192. The Secretariat noted that, while energy efficiency was not a compliance obligation under the Montreal Protocol, given its importance in the context of HFC phase-down in cooling applications, the matter had been discussed by the Executive Committee since its 77th meeting.

193. Another member proposed to note the policy issues contained in paragraph 14 of document UNEP/OzL.Pro/ExCom/86/27 and to discuss them at future Executive Committee meetings. Other members, however, were of the view that many of the issues were included in some manner in the draft cost guidelines for the HFC phase-down and should be discussed in relation to those guidelines.

194. The Executive Committee decided:

- (a) To note the UNDP business plan for 2021–2023, contained in document UNEP/OzL.Pro/ExCom/86/27; and
- (b) To approve the performance indicators for UNDP as set out in the table contained in Annex XI to the present document.

(Decision 86/46)

(iii) UNEP

195. During the IAPext-86, the Executive Committee considered the UNEP business plan for 2021–2023 contained in document UNEP/OzL.Pro/ExCom/86/28.

196. One member sought clarification regarding and requested additional information on the regional HCFC technical assistance project for PRAHA-III.

197. With regard to the alternatives to be addressed, UNEP explained that the project planned to cover all possible alternatives that were commercially available and without constraints from local manufacturing enterprises. It would build national risk analysis models and codes to facilitate the introduction of lower-GWP refrigerants as per the classification of alternatives by the TEAP. With regard to boosting the market

and promoting government adoption of alternatives, UNEP indicated that, on the basis of the experience gained and barriers identified during the implementation of the PRAHA-I and PRAHA-II projects, a market acceptance package had been proposed, a link to the training and certification programmes under the HPMPs of the respective countries would be established, and the potential concerns of technology suppliers about making certain technologies available in developing countries would be identified and addressed. With regard to the promotion of not-in-kind technologies, the implementing agencies believed that the necessary knowledge had been accumulated from the implementation of the PRAHA-I and other relevant projects and that it would enable the inclusion of a component for not-in-kind technologies that were practically feasible in the PRAHA-III project.

198. The Executive Committee decided:

- (a) To note the UNEP business plan for 2021–2023, contained in document UNEP/OzL.Pro/ExCom/86/28; and
- (b) To approve the performance indicators for UNEP as set out in the tables contained in Annex XII to the present document.

(Decision 86/47)

(iv) UNIDO

199. During the IAPext-86, the Executive Committee considered the UNIDO business plan for 2021–2023 contained out in document UNEP/OzL.Pro/ExCom/86/29.

200. The Executive Committee decided:

- (a) To note the UNIDO business plan for 2021–2023, contained in document UNEP/OzL.Pro/ExCom/86/29; and
- (b) To approve the performance indicators for UNIDO as set out in the table contained in Annex XIII to the present document.

(Decision 86/48)

(v) World Bank

201. During the IAPext-86, the Executive Committee considered the World Bank business plan for 2021–2023 contained in document UNEP/OzL.Pro/ExCom/86/30.

202. The Executive Committee decided:

- (a) To note the World Bank business plan for 2021–2023, contained in document UNEP/OzL.Pro/ExCom/86/30; and
- (b) To approve the performance indicators for the World Bank as set out in the table contained in Annex XIV to the present document.

(Decision 86/49)

AGENDA ITEM 9: PROJECT PROPOSALS

(a) Overview of issues identified during project review

203. During the IAP-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/31.

204. With regard to the work programme amendments of the World Bank, which had been submitted but not issued, as explained in paragraphs 7 to 9 of document UNEP/OzL.Pro/ExCom/86/31, one member noted that the funding request for preparation of an HFC phase-down plan for Malaysia had been included in Table 1 of document UNEP/OzL.Pro/ExCom/86/31, which would allow its approval once the policy for funding HFC preparation had been approved. The member, noting that the preliminary data and request for authorization to carry out the technical audit of the HCFC production sector in India would be discussed during the meeting of the Sub-group on the Production Sector to be held at the postponed 86th meeting, urged the Sub-group to consider at the same time funding for project preparation for the HPPMP for India, so that, if an agreement on funding for the technical audit were reached, it would to allow both activities to be undertaken at the same time.

205. With regard to the requests for preparatory funding for HFC phase-down plans, presented in paragraphs 19 to 23 of document UNEP/OzL.Pro/ExCom/86/31, one member suggested that these requests be approved in principle prior to the approval of the relevant guidelines in order for Article 5 countries to start preparing their HFC phase-down plans as soon as possible. It was pointed out, however, that such requests should be considered only in accordance with decision 84/54. In response to comments made by another member, the Secretariat confirmed that the requests presented for consideration contained sufficient information to enable their approval as soon as the Executive Committee had agreed on the funding structure for the preparation of HFC phase-down plans.

206. Subsequently, the Executive Committee agreed to consider all issues presented in the document, except for the requests for project preparation for HFC phase-down plans submitted as part of the work programme amendments of UNDP, UNEP and UNIDO for 2020 and the request for project preparation for an HFC phase-down plan for Malaysia submitted by the World Bank, which would be forwarded to the postponed 86th meeting for further consideration.

Potential delay in the implementation of time-sensitive HFC-related activities

207. The issue was presented in paragraphs 24 to 27 of document UNEP/OzL.Pro/ExCom/86/31.

208. The Executive Committee decided to advise bilateral and implementing agencies to continue assisting all Article 5 countries in implementing ongoing activities taking into account the constraints imposed by the coronavirus disease pandemic, irrespective of their completion dates, and to report back at the 87th meeting on the specific activities that required an extension of their completion dates.

(Decision 86/50)

Consideration of the servicing tail in the context of the HPMP for the total phase-out of HCFCs

209. The issue was presented in paragraphs 28 to 33 of document UNEP/OzL.Pro/ExCom/86/31.

210. One member recalled that leakages currently indicated emissions in the order of 25 per cent and that reliable monitoring, verification and reporting for both production and consumption would be necessary to ensure compliance with paragraph 8 ter(e)(i) of Article 5 of the Protocol for the period 2030–2040 and beyond, given its restriction to servicing refrigeration and air-conditioning equipment and fire suppression/protection equipment, solvent applications in rocket engine manufacturing and medical aerosol applications for the treatment of burns. The member further noted that all Article 5 countries would need

to take into account the relevant paragraphs of decision XXX/2 of the Parties in planning and implementing their HPMPs.

211. Another member noted that the recommendation regarding approval of new stages of HPMPs, as drafted, did not include a plan of action to manage the servicing tail, and that, those for non-LVC countries, would allow for the completion of the Agreements prior to the complete phase-out of consumption. The member proposed modifications to the recommendation.

212. Subsequently, the Executive Committee decided:

- (a) That, to allow for consideration of the final tranches of the HCFC phase-out management plans (HPMPs) for any low-volume consuming country requesting funding for the complete phase-out of HCFCs, the relevant Government should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in the country for the period 2030–2040;
- (b) That, to allow for consideration of the final tranches of the HPMPs for any non-low-volume-consuming country requesting funding for the complete phase-out of HCFCs, the relevant Government should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and
 - (ii) If the country were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030.

(Decision 86/51)

Deadline for submission of projects (decisions 81/30(c)(ii) and 84/52)

213. The issue was presented in paragraphs 34 to 37 of document UNEP/OzL.Pro/ExCom/86/31.

214. The Executive Committee decided to review the submission deadlines agreed in decision 81/30 at a future meeting, instead of at the 86th meeting, on the basis of analysis of how the revised submission deadlines were applied and whether they affected project submissions, to be prepared by the Secretariat in consultation with the bilateral and implementing agencies.

(Decision 86/52)

Requests for preparatory funding for HFC phase-down plans included in the work programmes of UNDP, UNEP, UNIDO and the World Bank, and the bilateral cooperation of the Government of Germany

215. The Executive Committee considered the matter during the formal online 86th meeting.

216. Four implementing agencies had included in their work programme amendments, and one bilateral agency had included in the document on bilateral cooperation requests, for funding for the preparation for HFC phase-down plans for 24 Article 5 countries, as shown in Table 1 of document UNEP/OzL.Pro/ExCom/86/31. The amounts requested were indicative, as the actual funding was to be decided following adoption of guidelines for funding the preparation of HFC phase-down plans.

217. Pursuant to the decision by the Executive Committee, under agenda item 13(c), draft guidelines for the preparation of HFC phase-down plans for Article 5 countries, to defer further consideration of those guidelines to the 87th meeting (see decision 86/93), consideration of all the requests for preparatory funding for HFC phase-down plans included in the work programme amendments of UNDP, UNEP, UNIDO and the World Bank, and by the Government of Germany in the document on bilateral cooperation, was also deferred to the same meeting (see decisions 86/55, 86/56, 86/57, 86/59 and 86/60).

Projects and activities submitted for blanket approval

218. The Executive Committee considered the matter during the IAP-86.

219. In response to a comment by one member, the Secretariat provided additional information on the tranche requests for the HPMPs for Fiji (UNEP/OzL.Pro/ExCom/86/50), Kenya (UNEP/OzL.Pro/ExCom/86/57) and Mauritius (UNEP/OzL.Pro/ExCom/86/60), in particular the components relating to the end-user incentive schemes, and confirmed that detailed analysis of the information based on decision 84/84(c) had been undertaken.

220. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval, at the levels of funding indicated in Annex XV to the present report, together with the conditions or provisions included in the corresponding project evaluation documents and the conditions attached to the projects by the Executive Committee, noting that the following agreements had been updated:
 - (i) The Agreement between the Government of Fiji and the Executive Committee, on the basis of the revised HCFC baseline for compliance, as contained in Annex XVI to the present report;
 - (ii) The Agreement between the Government of North Macedonia and the Executive Committee, on the basis of the extension of stage I of the HCFC phase-out management plan, as contained in Annex XVII to the present report;
- (b) That, for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments as contained in Annex XVIII to the present report.

(Decision 86/53)

(b) Bilateral cooperation

221. During IAP-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/32, which contained funding requests from four bilateral agencies for HCFC-related projects for seven countries and one regional HPMP, and requests for preparation of HFC phase-down plans for two countries.

222. In response to a comment by one member, the Government of Germany indicated that it would split the funding tranche approval for stage II of the HPMP for India without any implication for the

implementation and would allocate the amount of the over-programming (US \$117,742) to the triennium 2021–2023 (see decision 86/90 below).

223. The Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved during the 86th meeting and its associated processes, as follows:

- (a) US \$423,603 (including agency support costs) against the balance of the bilateral contribution of the Government of Australia for 2020;
- (b) US \$687,810 (including agency support costs) against the balance of the bilateral contribution of the Government of France for 2020;
- (c) US \$3,227,427 (including agency support costs) against the balance of the bilateral contribution of the Government of Germany for 2018–2020; and
- (d) US \$124,300 (including agency support costs) against the balance of the bilateral contribution of the Government of Japan for 2020.

(Decision 86/54)

Project preparation for HFC phase-down management plans (Burkina Faso and Mauritius)

224. During the formal online 86th meeting, the Executive Committee considered information relating to two requests, submitted by the Government of Germany, for funding for the preparation of HFC phase-down management plans contained in paragraphs 5 to 10 of document UNEP/OzL.Pro/ExCom/86/32.

225. Pursuant to decision 86/93, the Executive Committee decided to defer to its 87th meeting consideration of the requests, submitted by the Government of Germany, for funding for the preparation for HFC phase-down plans for Burkina Faso and Mauritius.

(Decision 86/55)

(c) Amendments to work programmes

(i) UNDPs work programme amendments for 2020

226. During the IAP-86 and the formal online 86th meeting, the Executive Committee considered documents UNEP/OzL.Pro/ExCom/86/33 and Corr.1, which set out 18 activities, comprising six requests for renewal of institutional strengthening projects; one request for preparation of a verification report on HCFC consumption; and 12 requests for preparation of HFC phase-down management plans, including three proposals submitted to the 85th meeting and deferred to the 86th meeting. All the requests, with the exception of the 12 requests for project preparation for HFC phase-down management plans, had been included in, and approved as part of, the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

Project preparation for HFC phase-down management plans (Bhutan, Costa Rica, Cuba, Ghana, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Maldives, Mexico, Nigeria, Peru and Uruguay)

227. Pursuant to decision 86/93, the Executive Committee decided to defer to its 87th meeting consideration of the requests, submitted by UNDP, for funding for the preparation of HFC phase-down

plans for Bhutan, Costa Rica, Cuba, Ghana, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Maldives, Mexico, Nigeria, Peru and Uruguay.

(Decision 86/56)

(ii) UNEP work programme amendments for 2020

228. During the IAP-86 and the formal online 86th meeting, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/34, which set out 42 activities, comprising 13 requests for renewal of institutional strengthening projects; 13 requests for preparation of a verification report on HCFC consumption; five requests for preparation of stage II or stage III of HPMPs; and 11 requests for preparation of HFC phase-down management plans, including one proposal submitted to the 85th meeting and deferred to the 86th meeting. All the requests, with the exception of the 11 requests for project preparation for HFC phase-down management plans, had been included in, and approved as part of, the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

Project preparation for HFC phase-down management plans (Albania, Armenia, Bhutan, Ghana, Kyrgyzstan, Lao People's Democratic Republic, Maldives, Mexico, Nigeria, Senegal and Turkmenistan)

229. Pursuant to decision 86/93, the Executive Committee decided to defer to its 87th meeting consideration of the requests, submitted by UNEP, for funding for the preparation of HFC phase-down plans for Albania, Armenia, Bhutan, Ghana, Kyrgyzstan, Lao People's Democratic Republic, Maldives, Mexico, Nigeria, Senegal and Turkmenistan.

(Decision 86/57)

(iii) UNIDO work programme amendments for 2020

230. During the IAP-86, IAPext-86 and the formal online 86th meeting, the Executive Committee considered documents UNEP/OzL.Pro/ExCom/86/35 and Corr.1, which set out 21 activities, comprising five requests for renewal of institutional strengthening projects; two requests for preparation of a verification report on HCFC consumption; five requests for preparation of stage II or stage III of HPMPs; eight requests for preparation of HFC phase-down management plans, including two proposals submitted to the 85th meeting and deferred to the 86th meeting; and one request for project preparation for conversion of HFC-134a (or R-410A) to R-290 in the manufacture of air-conditioning units at J.M. Group/Mina factory in Sudan, which had been deferred to the 86th meeting. All the requests, with the exception of the eight requests for project preparation for HFC phase-down management plans and the request for project preparation for a HFC investment project in Sudan, had been included in, and approved as part of, the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

231. During IAP-86, one member referred to the project preparation request for an HFC investment project in Sudan, which had been submitted during the intersessional approval process for the 85th meeting, but deferred to the 86th meeting, which at that time had been foreseen for November 2020. She proposed that the request be approved under the IAP-86 established for the 86th meeting, noting that the 86th meeting had been postponed and that the funding request was consistent with all the decisions relevant for the preparation of HFC investment projects and would address the air-conditioning manufacturing sector, which had not yet been well represented among approved HFC investment projects. Another member noted, however, that the project preparation request had not been included for consideration during the IAP-86 and, therefore, would need to be considered individually.

Project preparation for the conversion of R-410A to R-290 in air-conditioning manufacturing at J.M. Group/Mina Factory in Sudan

232. During the IAPext-86, in response to a request by one member for clarification and additional information, UNIDO indicated that the HFC consumption to be phased out through the project was R-410A only, for the manufacture of mini-split air-conditioning units with a capacity of between 1 to 2 tonnes of refrigeration; that none of the units produced was for export; and that the project cost would range between US \$300,000 and US \$500,000. UNIDO further indicated that the earliest that the project would be submitted was at the 88th meeting.

233. Taking into consideration decision 84/53 that required that proposals for HFC stand-alone investment projects needed to be submitted by the 87th meeting, the member noted the agreement among members to approve, on an exceptional basis, an extension to the deadline for the submission of the full proposal for preparation of the project at J.M. Group/Mina Factory in Sudan, to the 88th meeting, given that the project proposal could not be submitted by the deadline established in decision 84/53.

234. The Executive Committee decided:

- (a) To approve, the request for funding for project preparation for the conversion of R-410A to R-290 in air-conditioning manufacturing at J.M. Group/Mina Factory in Sudan, in the amount of US \$30,000, plus agency support costs of US \$2,100 for UNIDO;
- (b) To approve also, on an exceptional basis, an extension of the deadline for the submission of the full proposal for the project referred to in sub-paragraph (a) above, to the 88th meeting, given that the project proposal could not be submitted by the submission deadline established in decision 84/53.

(Decision 86/58)

Project preparation for HFC phase-down management plans (Albania, Jordan, Mexico, Montenegro, Niger, North Macedonia, Senegal and South Africa)

235. The Executive Committee considered the matter during the formal online 86th meeting.

236. Pursuant to decision 86/93, the Executive Committee decided to defer to its 87th meeting consideration of the requests, submitted by UNIDO, for funding for the preparation of HFC phase-down plans for Albania, Jordan, Mexico, Montenegro, Niger, North Macedonia, Senegal and South Africa.

(Decision 86/59)

(iv) World Banks work programme amendments for 2020

237. The Executive Committee considered the matter during the formal online 86th meeting. The work programme amendments of the World Bank had been submitted but not issued, as explained in paragraphs 7 to 9 of document UNEP/OzL.Pro/ExCom/86/31.

238. Pursuant to decision 86/93, the Executive Committee decided to defer to its 87th meeting consideration of the request, submitted by the World Bank, for funding for the preparation of an HFC phase-down plan for Malaysia.

(Decision 86/60)

(d) UNEP Compliance Assistance Programme budget for 2021

239. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/36 during the IAP-86.

240. The Executive Committee decided:

- (a) To note the proposed three-year strategy for the period 2021–2023 and the 2021 work plan and budget for the UNEP Compliance Assistance Programme (CAP) contained in document UNEP/OzL.Pro/ExCom/86/36;
- (b) To note also, with appreciation, that UNEP, recognizing that Article 5 and non-Article 5 countries were facing health, financial and social challenges because of the coronavirus disease pandemic, and that CAP activities during 2020 were affected by the unprecedented crisis, would return, at the 86th meeting, in advance of the completion of the 2020 work plan, on an exceptional basis and without setting a precedent, the uncommitted funding balance of US \$1,074,023, plus agency support costs of US \$85,922;
- (c) To approve the CAP activities and budget for 2021 in the amount of US \$9,974,000, plus agency support costs of 8 per cent amounting to US \$797,920, as contained in Annex XIX to the present report, noting the adjustments proposed therein; and
- (d) To request UNEP, in future submissions of the CAP budget, to continue:
 - (i) Providing detailed information on the activities for which the global funds would be used;
 - (ii) Extending the prioritization of funding between CAP budget lines so as to accommodate changing priorities, and to provide details, pursuant to decisions 47/24 and 50/26, on the reallocations made;
 - (iii) Reporting on the current post levels of staff and informing the Executive Committee of any changes thereto, particularly with respect to any increased budget allocations; and
 - (iv) Providing a budget for the year in question, and a report on the costs incurred in the year prior to the previous year, noting sub-paragraphs (c)(ii) and (c)(iii) above.

(Decision 86/61)

(e) 2021 core unit costs for UNDP, UNIDO and the World Bank

241. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/37 during the IAP-86.

242. The Executive Committee decided:

- (a) To note:
 - (i) The report on the 2021 core unit costs for UNDP, UNIDO and the World Bank, as contained in document UNEP/OzL.Pro/ExCom/86/37;
 - (ii) With appreciation, that the core unit operation of the World Bank was again below its budgeted level and that the Bank would be returning unused balances of US \$43,894 to the Multilateral Fund at the 86th meeting;

- (b) To approve the requested 2021 core unit budgets for:
 - (i) UNDP in the amount of US \$2,113,148;
 - (ii) UNIDO in the amount of US \$2,022,000; and
 - (iii) The World Bank in the amount of US \$1,735,000; and
- (c) To note that the levels of the 2021 core unit budgets indicated in sub-paragraph (b) above could be adjusted on the basis of the outcomes of the discussion on the Analysis of the administrative cost regime and core unit funding (decision 84/61(c)), at the postponed 86th meeting.

(Decision 86/62)

(f) Investment projects

243. The Executive Committee agreed to consider during the IAP-86 the investment projects submitted for individual consideration for which all outstanding issues had been resolved.

244. The Executive Committee took note of the application of decision 86/51 on the servicing tail to requests for a new stage of an HPMP involving the complete phase-out of HCFCs.

Stage I of HPMPs

Syrian Arab Republic (the): HCFC phase-out management plan (stage I – first tranche) (UNEP and UNIDO)

245. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/76.

246. One member proposed making mention of the understanding that the submission of investment projects during stage I of the HPMP would be allowed, but that the eligibility of the consumption to be phased out would be determined during review of the investment project.

247. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Syrian Arab Republic for the period from 2020 to 2025 to reduce HCFC consumption by 67.5 per cent of the country's baseline, in the amount of US \$1,728,517, consisting of US \$1,209,276, plus agency support costs of US \$143,020 for UNEP, and US \$351,608, plus agency support costs of US \$24,613 for UNIDO, noting that stage I of the HPMP also included US \$1,465,361, plus agency support costs of US \$109,902 for UNIDO, for an investment project for the phase-out of 12.88 ODP tonnes of HCFCs from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels, approved at the 62nd meeting;
- (b) To note:
 - (i) That, with the amounts referred to in sub-paragraph (a) above, the total funding for stage I of the HPMP for the Syrian Arab Republic amounted to US \$3,026,245, plus agency support costs of US \$277,535;
 - (ii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 135.03 ODP tonnes, calculated using actual consumption of

147.22 ODP tonnes and 122.83 ODP tonnes reported under Article 7 of the Montreal Protocol for 2009 and 2010, respectively;

- (c) To note the deduction of 12.88 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the investment project referred to in sub-paragraph (a), above, and a further 16.98 ODP tonnes of HCFCs for the implementation of stage I of the HPMP;
- (d) To approve the Agreement between the Government of the Syrian Arab Republic and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage I of the HPMP, contained in Annex XX to the present report;
- (e) To allow the submission of investment projects during the implementation of stage I of the HPMP to phase out consumption in the manufacturing sector, prior to 31 December 2023, on the understanding that the eligibility of the consumption associated with the investment projects would be reviewed upon their submission and the remaining consumption eligible for funding would be adjusted accordingly; and
- (f) To approve the first tranche of stage I of the HPMP for the Syrian Arab Republic, and the corresponding tranche implementation plans, in the amount of US \$642,848, consisting of US \$238,428, plus agency support costs of US \$28,199 for UNEP, and US \$351,608, plus agency support costs of US \$24,613 for UNIDO.

(Decision 86/63)

Stage II of HPMPs

Botswana: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

248. The Executive Committee considered paragraphs 21 to 43 of document UNEP/OzL.Pro/ExCom/86/40.

249. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Botswana for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,148,400, consisting of US \$640,000, plus agency support costs of US \$80,400 for UNEP, and US \$400,000, plus agency support costs of US \$28,000 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Botswana:
 - (i) To phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To impose a ban on the import and use of HCFC-141b for flushing by 1 January 2021 and a ban on imports of HCFC-based equipment by 1 January 2024;

- (c) To deduct 7.15 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Botswana and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXI to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Botswana should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Botswana for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Botswana, and the corresponding tranche implementation plans, in the amount of US \$275,844, consisting of US \$150,000, plus agency support costs of US \$18,844 for UNEP, and US \$100,000, plus agency support costs of US \$7,000 for UNIDO.

(Decision 86/64)

Brunei Darussalam: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

250. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/42.
251. The Executive Committee decided:
- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Brunei Darussalam for the period 2020–2030 for the complete phase-out of HCFC consumption, in the amount of US \$651,690, consisting of US \$351,000, plus agency support costs of US \$45,630 for UNEP, and US \$234,000, plus agency support costs of US \$21,060 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
 - (b) To note the commitment of the Government of Brunei Darussalam:
 - (i) To establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2026;
 - (ii) To phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (c) To deduct 3.96 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
 - (d) To approve the Agreement between the Government of Brunei Darussalam and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXII to the present report;

- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Brunei Darussalam should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Brunei Darussalam for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Brunei Darussalam, and the corresponding tranche implementation plans, in the amount of US \$180,473, consisting of US \$149,100, plus agency support costs of US \$19,383 for UNEP, and US \$11,000, plus agency support costs of US \$990 for UNDP.

(Decision 86/65)

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

252. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/45.

253. The Executive Committee decided:

- (a) To note, with appreciation, the report provided by UNDP and the efforts made by the Government of Cuba and UNDP to discontinue the temporary use of a technology with high global-warming potential (GWP) and to introduce the approved low-GWP technology at the polyurethane foam enterprises Friarc and IDA, under stage I of the HCFC phase-out management plan (HPMP) for Cuba;
- (b) To approve, in principle, stage II of the HPMP for Cuba for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,040,000, plus agency support costs of US \$72,800 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (c) To note the commitment of the Government of Cuba to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (d) To deduct 10.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Cuba and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIII to the present report;
- (f) That, to allow for consideration of the final tranche of its HPMP, the Government of Cuba should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;

- (ii) The expected annual HCFC consumption in Cuba for the period 2030–2040; and
- (g) To approve the first tranche of stage II of the HPMP for Cuba, and the corresponding tranche implementation plan, in the amount of US \$260,000, plus agency support costs of US \$18,200 for UNDP.

(Decision 86/66)

Ecuador: HCFC phase-out management plan (stage II – first tranche) (UNIDO and UNEP)

254. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/47.

255. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Ecuador for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,257,600, consisting of US \$1,075,000, plus agency support costs of US \$75,250 for UNIDO, and US \$95,000, plus agency support costs of US \$12,350 for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Ecuador:
 - (i) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2023;
 - (ii) Not to issue any import quota for HCFC-141b contained in pre-blended polyols, except for a maximum of 0.86 ODP tonnes (7.78 metric tonnes), for spray foam, for each year between 2021 and 2023;
 - (iii) To phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 16.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To request the Government of Ecuador to submit, as part of stage II of the HPMP, a project proposal for the phase-out of HCFC-141b contained in imported pre-blended polyols for spray foam, in line with decision 81/47(c)(iii), noting that the Government of Ecuador had deferred the enforcement of the import ban on HCFC-141b for spray foam from 1 January 2022 to 1 January 2024 in order to allow the conversion of enterprises;
- (e) To approve the Agreement between the Government of Ecuador and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIV to the present report;
- (f) That, to allow for consideration of the final tranche of its HPMP, the Government of Ecuador should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;

- (ii) The expected annual HCFC consumption in Ecuador for the period 2030–2040 period, on account of the fact that the Government of Ecuador had requested funding commensurate with a low-volume-consuming country; and
- (g) To approve the first tranche of stage II of the HPMP for Ecuador, and the corresponding tranche implementation plans, in the amount of US \$314,683, consisting of US \$268,750, plus agency support costs of US \$18,813 for UNIDO, and US \$24,000, plus agency support costs of US \$3,120 for UNEP.

(Decision 86/67)

Eswatini: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

256. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/49.

257. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Eswatini for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$602,600, consisting of US \$350,000, plus agency support costs of US \$45,500 for UNEP, and US \$190,000, plus agency support costs of US \$17,100 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Eswatini to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 1.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Eswatini and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXV to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Eswatini should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Eswatini for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Eswatini, and the corresponding tranche implementation plans, in the amount of US \$133,600, consisting of US \$70,000, plus agency support costs of US \$9,100 for UNEP, and US \$50,000, plus agency support costs of US \$4,500 for UNDP.

(Decision 86/68)

Gambia (the): HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

258. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/51, paragraphs 20 to 40.

259. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Gambia for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$602,600, consisting of US \$350,000, plus agency support costs of US \$45,500 for UNEP, and US \$190,000, plus agency support costs of US \$17,100 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of the Gambia to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 0.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of the Gambia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXVI to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of the Gambia should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in the Gambia for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for the Gambia, and the corresponding tranche implementation plans, in the amount of US \$211,100, consisting of US \$100,000, plus agency support costs of US \$13,000 for UNEP, and US \$90,000, plus agency support costs of US \$8,100 for UNIDO.

(Decision 86/69)

Guatemala: HCFC phase-out management plan (stage II – first tranche) (UNIDO and UNEP)

260. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/52.

261. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Guatemala for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$670,025, consisting of US \$462,500, plus agency support costs of US \$32,375 for UNIDO, and US \$155,000, plus agency support costs of

US \$20,150 for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;

- (b) To note the commitment of the Government of Guatemala:
 - (i) To reduce HCFC consumption by 45 per cent of the country's baseline by 2022, 67.5 per cent by 2025 and 85 per cent by 2028 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To issue a ban on the import of HCFC-141b for flushing from 1 January 2021;
 - (iii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024;
- (c) To deduct 5.4 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Guatemala and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXVII to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Guatemala should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Guatemala for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Guatemala, and the corresponding tranche implementation plans, in the amount of US \$187,262, consisting of US \$129,600, plus agency support costs of US \$9,072 for UNIDO, and US \$43,000, plus agency support costs of US \$5,590 for UNEP.

(Decision 86/70)

Honduras: HCFC phase-out management plan (stage II – first tranche) (UNIDO and UNEP)

262. The Executive Committee considered paragraphs 29 to 58 of document UNEP/OzL.Pro/ExCom/86/53.

263. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Honduras for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,262,430, consisting of US \$994,500, plus agency support costs of US \$69,615 for UNIDO, and US \$175,500, plus agency support costs of US \$22,815 for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;

- (b) To note the commitment of the Government of Honduras:
 - (i) To reduce HCFC consumption by 50.2 per cent of the country's baseline by 2022, 67.5 per cent by 2025, 86.4 per cent by 2028 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; and
 - (ii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024;
- (c) To deduct 11.71 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Honduras and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXVIII to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Honduras should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Honduras for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Honduras, and the corresponding tranche implementation plans, in the amount of US \$240,735, consisting of US \$197,000, plus agency support costs of US \$13,790 for UNIDO, and US \$26,500, plus agency support costs of US \$3,445 for UNEP.

(Decision 86/71)

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

264. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/56.
265. The Executive Committee decided:
- (a) To note that the revised starting point for sustained aggregate reduction in HCFC consumption for Jamaica was 10.58 ODP tonnes, based on the best estimates of consumption in the country in 2009 and 2010; and that the maximum remaining funding for which the country was eligible for the total phase-out of HCFCs was US \$390,000, based on the difference between the maximum level of funding eligible for the complete phase-out of US \$950,000, in line with decision 74/50(c)(xii), and the funding approved under stage I of US \$560,000;
 - (b) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Jamaica for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$390,000, plus agency support costs of US \$27,300 for

UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;

- (c) To note the commitment of the Government of Jamaica:
 - (i) To phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To prohibit import of HCFC-based equipment by 1 January 2026;
- (d) To deduct 2.48 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To request the Government of Jamaica and UNDP to provide, at the 87th meeting, an update on the status of implementation of the measures for strengthening the licensing and quota system and monitoring and reporting of HCFC consumption recommended in the verification report submitted at the 85th meeting;
- (f) To approve the Agreement between the Government of Jamaica and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIX to the present report;
- (g) That, to allow for consideration of the final tranche of its HPMP, the Government of Jamaica should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Jamaica for the period 2030–2040; and
- (h) To approve the first tranche of stage II of the HPMP for Jamaica, and the corresponding tranche implementation plan, in the amount of US \$117,000, plus agency support costs of US \$8,190 for UNDP.

(Decision 86/72)

Lao People's Democratic Republic (the): HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

266. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/58.

267. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Lao People's Democratic Republic for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$580,096, consisting of US \$332,400, plus agency support costs of US \$43,212 for UNEP, and US \$187,600, plus agency support costs of US \$16,884 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;

- (b) To note the commitment of the Government of the Lao People's Democratic Republic:
 - (i) To phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To ban the import of all types of HCFC-based equipment from 1 January 2023;
- (c) To deduct 1.50 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding and 3.24 ODP tonnes of HCFC-141b contained in the imported pre-blended polyols phased out without assistance from the Multilateral Fund, as there had not been any consumption of the substance since 2014;
- (d) To approve the Agreement between the Government of the Lao People's Democratic Republic and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXX to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of the Lao People's Democratic Republic should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Lao People's Democratic Republic for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for the Lao People's Democratic Republic, and the corresponding tranche implementation plans, in the amount of US \$236,862, consisting of US \$106,400, plus agency support costs of US \$13,832 for UNEP, and US \$107,000, plus agency support costs of US \$9,630 for UNDP.

(Decision 86/73)

Mongolia: HCFC phase-out management plan (stage II – first tranche) (UNEP and the Government of Japan)

268. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/61.

269. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Mongolia for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$610,200, consisting of US \$370,000, plus agency support costs of US \$48,100 for UNEP, and US \$170,000, plus agency support cost of US \$22,100 for the Government of Japan, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Mongolia:
 - (i) To reduce HCFC consumption by 78.6 per cent of the country's baseline by 1 January 2025, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a

- servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; and
- (ii) To ban the import of HCFC-based refrigeration and air-conditioning equipment by 1 January 2022;
- (c) To deduct 0.40 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
 - (d) To approve the Agreement between the Government of Mongolia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXI to the present report;
 - (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Mongolia should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Mongolia for the period 2030–2040 period; and
 - (f) To approve the first tranche of stage II of the HPMP for Mongolia, and the corresponding tranche implementation plans, in the amount of US \$255,380, consisting of US \$116,000, plus agency support costs of US \$15,080 for UNEP, and US \$110,000, plus agency support costs of US \$14,300 for the Government of Japan.

(Decision 86/74)

Nepal: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

270. The Executive Committee considered paragraphs 28 to 49 of document UNEP/OzL.Pro/ExCom/86/63.

271. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Nepal for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$601,560, consisting of US \$324,000, plus agency support costs of US \$42,120 for UNEP, and US \$216,000, plus agency support costs of US \$19,440 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Nepal to reduce HCFC consumption by 43 per cent of the country's baseline by 1 January 2021 and 67.5 per cent by 1 January 2025, to phase out HCFCs completely by 1 January 2030 and that HCFC imports after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 0.63 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

- (d) To approve the Agreement between the Government of Nepal and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXII to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Nepal should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Nepal for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Nepal, and the corresponding tranche implementation plans, in the amount of US \$242,740, consisting of US \$128,000, plus agency support costs of US \$16,640 for UNEP, and US \$90,000, plus agency support costs of US \$8,100 for UNDP.

(Decision 86/75)Nicaragua: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

272. The Executive Committee considered paragraphs 25 to 47 of document UNEP/OzL.Pro/ExCom/86/64.

273. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Nicaragua for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$636,926, consisting of US \$182,931, plus agency support costs of US \$23,781 for UNEP, and US \$402,069, plus agency support costs of US \$28,145 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Nicaragua:
 - (i) To ban the import of HCFC-based refrigeration and air-conditioning (RAC) equipment by 30 June 2022;
 - (ii) To implement a regulation requiring the recovery of HCFC-22 during the servicing of RAC equipment and a prohibition to vent HCFC-22 during installation, servicing and decommissioning of end-of-life equipment, by 30 June 2022;
 - (iii) To implement a RAC technician certification scheme by 30 June 2022, and to train and certify 1,400 RAC technicians by 30 June 2023;
 - (iv) To implement a regulation to allow the sale of HCFCs only to certified technicians by 31 December 2023;
 - (v) To reduce HCFC consumption by 41 per cent by 1 January 2022, 44 per cent by 1 January 2023, 67.5 per cent by 1 January 2025, 72 per cent by 1 January 2026, and 85 per cent by 1 January 2028; and

- (vi) To phase out HCFCs completely by 1 January 2030 and that HCFC imports after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 4.36 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Nicaragua and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXIII to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Nicaragua should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Nicaragua for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Nicaragua, and the corresponding tranche implementation plans, in the amount of US \$159,257, consisting of US \$46,158, plus agency support costs of US \$6,001 for UNEP, and US \$100,092, plus agency support costs of US \$7,006 for UNIDO.

(Decision 86/76)

Pacific Island countries (Cook Islands, Kiribati, Marshall Islands, Micronesia (Federated States of), Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu) (HCFC phase-out management plan (stage II – first tranche)) (UNEP and the Government of Australia)

274. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/67.

275. In response to comments by one member, the Secretariat provided clarification of the application of the Agreement between the 12 countries and the Executive Committee, in particular the legal aspects relating to non-compliance, penalties, and monitoring, verification and reporting, and confirmed that the reporting requirement pursuant to decision 57/9(e) had been met when stage I of the HPMP had been submitted.

276. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Pacific Island Countries (PICs) for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$5,404,992, consisting of US \$4,278,400, plus agency support costs of US \$550,492 for UNEP, and US \$510,000, plus agency support costs of US \$66,100 for the Government of Australia, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of each of the Governments of the 12 PICs to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except

for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;

- (c) To deduct 2.17 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of the PICs and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXIV to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Governments of the 12 PICs should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in each of the 12 PICs for the 2030-2040; and
- (f) To approve the first tranche of stage II of the HPMP for the PICs, and the corresponding tranche implementation plans, in the amount of US \$2,868,472, consisting of US \$2,165,400, plus agency support costs of US \$279,469 for UNEP, and US \$375,000, plus agency support costs of US \$48,603 for the Government of Australia.

(Decision 86/77)

Qatar: HCFC phase-out management plan (stage II – first tranche) (UNIDO and UNEP)

277. The Executive Committee considered paragraphs 21 to 45 of document UNEP/OzL.Pro/ExCom/86/70.

278. During the IAP-86, one member had a number of questions about the project proposal that required further discussions with the Executive Committee and the implementing agency. Another member noted that the Government of Qatar had committed to implementing, by 1 January 2023, a ban on disposable refrigerant cylinders, an e-licensing system, a certification scheme for service technicians in the refrigeration and air-conditioning sector and good servicing practices in the refrigeration and air-conditioning sector. Noting also the growth in HCFC consumption, the member suggested that the Government of Qatar do its utmost to curb that growth as early as possible and suggested that UNEP and UNIDO assist the Government in doing so.

279. During the IAP-86ext, the Executive Committee again considered document UNEP/OzL.Pro/ExCom/86/70.

280. Following clarifications provided by the Secretariat, one member withdrew his request to add language from decision XXX/2 to the Agreement contained in Annex I to document UNEP/OzL.Pro/ExCom/86/70, and the template Agreement for stage II and subsequent stages of the HPMPs of Article 5 countries, to encourage the development and use of alternatives to HCFCs and to urge the recovery, recycling and reclamation of HCFCs as well as the use of stocks and alternatives, where available and appropriate, in order to reduce the production and consumption of HCFC.

281. Another member noted with concern the rapid growth of HCFC-22 consumption in the servicing sector in the country, despite the implementation of the activities in stage I of the HPMP; that the funded

technician training and recovery and recycling activities were not able to reduce demand sufficiently; and the inability of UNIDO to verify Article 7 data reported prior to 2017. The member further indicated that a number of questions about the project proposal would require discussions with the Executive Committee and the implementing agency and requested that the project proposal be deferred.

282. UNIDO explained that the training of technicians had taken place late owing to the pandemic and thus there was no possibility to conduct for additional training. The concept for the recovery and recycling centres had been proposed in the workshops previously conducted for the operating companies, and UNIDO was currently assessing the proposals and offers submitted by those companies. As for the accuracy of data collection and verification, UNIDO indicated that the ozone team management would make a link with the General Administration of Customs regarding the monitoring and reporting of imports and exports electronically; that an electronic system was being applied, requiring initial and final approvals from companies importing controlled substances; and that the Government of Qatar would assure the accuracy and correctness of the data in the coming stages of the HPMP. Through UNIDO, the Government of Qatar highlighted that, despite the unusual conditions due to the pandemic and all other limitations that had been faced, the country had managed to complete most of the activities under stage I of the HPMP, achieve full compliance and meet the agreed reduction targets between 2015 and 2020.

283. The Executive Committee decided to defer consideration of stage II of the HCFC phase-out management plan for Qatar to the 87th meeting.

(Decision 86/78)

Rwanda: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

284. During IAP-86, the Executive Committee considered document UNEP/OzL.Pro/ExCom/86/72.

285. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Rwanda for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$580,800, consisting of US \$350,000, plus agency support costs of US \$45,500 for UNEP, and US \$170,000, plus agency support costs of US \$15,300 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Rwanda to reduce HCFC consumption by 51 per cent of the country's baseline by 1 January 2021 and 67.5 per cent by 1 January 2025, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To note also the commitment of the Government of Rwanda to implement regulations for the national product registration and certification of refrigeration service technicians by 1 January 2024;
- (d) To deduct 2.66 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Rwanda and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXV to the present report;

- (f) That, to allow for consideration of the final tranche of its HPMP, the Government of Rwanda should submit:
- (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Rwanda for the period 2030–2040; and
- (g) To approve the first tranche of stage II of the HPMP for Rwanda, and the corresponding tranche implementation plans, in the amount of US \$178,000, consisting of US \$90,000, plus agency support costs of US \$11,700 for UNEP, and US \$70,000, plus agency support costs of US \$6,300 for UNIDO.

(Decision 86/79)

Sri Lanka: HCFC phase-out management plan (stage II – first tranche) (UNDP and UNEP)

286. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/74.

287. In response to additional information provided on the submission of the updated verification report, one member recognized the urgent need for further assistance to avoid disruption in implementation of future activities and proposed revisions to the recommendation.

288. Subsequently, the Executive Committee decided:

- (a) To approve in principle stage II of the HCFC phase-out management plan (HPMP) for Sri Lanka for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,137,700, consisting of US \$625,000 plus agency support costs of US \$43,750 for UNDP, and US \$415,000 plus agency support costs of US \$53,950 for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Sri Lanka to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 9.14 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To request UNDP to submit the revised verification report on the HCFC consumption for Sri Lanka for 2016–2019 to the Secretariat no later than 15 January 2021;
- (e) To approve the draft Agreement between the Government of Sri Lanka and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXVI to the present report; and
- (f) That, to allow for consideration of the final tranche of its HPMP, the Government of Sri Lanka should submit:

- (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Sri Lanka for the period 2030–2040; and
- (g) To approve the first tranche of stage II of the HPMP for Sri Lanka, and the corresponding tranche implementation plans, in the amount of US \$458,238, consisting of US \$216,200, plus agency support costs of US \$15,134 for UNDP, and US \$200,800, plus agency support costs of US \$26,104 for UNEP, on the understanding that the approved funds would not be transferred to UNDP and UNEP until the Secretariat had reviewed the revised verification report of HCFC consumption for 2016–2019 and had confirmed that the Government of Sri Lanka was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee for stage I of the HPMP; and, in the event of non-compliance, that relevant actions would be taken by the Executive Committee at its postponed 86th meeting.

(Decision 86/80)

Trinidad and Tobago: HCFC phase-out management plan (stage II – first tranche) (UNDP)

289. The Executive Committee considered paragraphs 22 to 51 of document UNEP/OzL.Pro/ExCom/86/77.

290. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Trinidad and Tobago for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,662,520, plus agency support costs of US \$116,376 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Trinidad and Tobago to reduce HCFC consumption by 38 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and 97.5 per cent by 2028, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To note also that the Government of Trinidad and Tobago would implement regulations to prohibit the import of components for HCFC-based equipment by 1 January 2025, after necessary national consultations;
- (d) To deduct 28.30 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Trinidad and Tobago and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXVII to the present report;

- (f) That, to allow for consideration of the final tranche of its HPMP, the Government of Trinidad and Tobago should submit:
- (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) If Trinidad and Tobago intended to have consumption in the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub-paragraph (e) above covering the period beyond 2030; and
- (g) To approve the first tranche of stage II of the HPMP for Trinidad and Tobago, and the corresponding tranche implementation plan, in the amount of US \$498,756, plus agency support costs of US \$34,913 for UNDP.

(Decision 86/81)

Turkmenistan: HCFC phase-out management plan (stage II – first tranche) (UNIDO)

291. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/78.

292. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Turkmenistan for the period from 2020 to 2025 to reduce HCFC consumption by 67.5 per cent of the country’s baseline, in the amount of US \$308,500, plus agency support costs of US \$21,595 for UNIDO;
- (b) To deduct 2.21 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (c) To approve the Agreement between the Government of Turkmenistan and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXVIII to the present report; and
- (d) To approve the first tranche of stage II of the HPMP for Turkmenistan, and the corresponding tranche implementation plan, in the amount of US \$165,000, plus agency support costs of US \$11,550 for UNIDO.

(Decision 86/82)

Uganda: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

293. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/79.

294. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Uganda for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$471,470, consisting of US \$260,000, plus agency support costs of US \$33,800 for UNEP, and US \$163,000, plus agency support costs of

US \$14,670 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;

- (b) To note the commitment of the Government of Uganda to reduce HCFC consumption by 50 per cent of the country's baseline by 1 January 2021 and 67.5 per cent by 1 January 2025, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
- (c) To note also that the Government of Uganda would implement regulations to prohibit import and sale of HCFC-based equipment by 1 January 2024 and enforce national standards for refrigeration and air-conditioning equipment using energy efficient low-global-warming potential technologies from 1 January 2024, after necessary national consultations;
- (d) To deduct 0.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Uganda and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXIX to the present report;
- (f) That, in order to allow for consideration of the final tranche of its HPMP, the Government of Uganda should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Uganda for the period 2030–2040; and
- (g) To approve the first tranche of stage II of the HPMP for Uganda, and the corresponding tranche implementation plans, in the amount of US \$136,470, consisting of US \$60,000, plus agency support costs of US \$7,800 for UNEP, and US \$63,000, plus agency support costs of US \$5,670 for UNIDO.

(Decision 86/83)

Zambia: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

295. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/81.

296. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Zambia for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$653,490, consisting of US \$396,000, plus agency support costs of US \$51,480 for UNEP, and US \$189,000, plus agency support costs of US \$17,010 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;

- (b) To note the commitment of the Government of Zambia:
 - (i) To establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2025;
 - (ii) To reduce HCFC consumption by 50 per cent of the country's baseline by 1 January 2021 and 67.5 per cent by 1 January 2025, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 3.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Zambia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XL to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Zambia should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Zambia for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Zambia, and the corresponding tranche implementation plans, in the amount of US \$167,500, consisting of US \$100,000, plus agency support costs of US \$13,000 for UNEP, and US \$50,000, plus agency support costs of US \$4,500 for UNIDO.

(Decision 86/84)

Zimbabwe: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

297. The Executive Committee considered paragraphs 20 to 43 of document UNEP/OzL.Pro/ExCom/86/82.

298. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Zimbabwe for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,148,400, consisting of US \$640,000, plus agency support costs of US \$80,400 for UNEP, and US \$400,000, plus agency support costs of US \$28,000 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Zimbabwe to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;

- (c) To deduct 11.57 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Zimbabwe and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XLI to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Zimbabwe should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Zimbabwe for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Zimbabwe, and the corresponding tranche implementation plans, in the amount of US \$275,844, consisting of US \$150,000, plus agency support costs of US \$18,844 for UNEP, and US \$100,000, plus agency support costs of US \$7,000 for UNDP.

(Decision 86/85)

Stage III of HPMPs

Dominican Republic (the): HCFC phase-out management plan (stage III – first tranche) (UNDP and UNEP)

299. The Executive Committee considered paragraphs 23 to 50 of document UNEP/OzL.Pro/ExCom/86/46.

300. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for the Dominican Republic for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$2,894,888, consisting of US \$2,412,020, plus agency support costs of US \$168,841 for UNDP, and US \$277,900, plus agency support costs of US \$36,127 for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of the Dominican Republic:
 - (i) To reduce HCFC consumption by 97.5 per cent of the country's baseline by 1 January 2028, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To establish a mandatory certification system for service technicians by 2025;
- (c) To deduct 28.02 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

- (d) To approve the Agreement between the Government of the Dominican Republic and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in Annex XLII to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of the Dominican Republic should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) If the Dominican Republic intended to have consumption in the period 2030–2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub-paragraph (d) above covering the period beyond 2030; and
- (f) To approve the first tranche of stage III of the HPMP for the Dominican Republic, and the corresponding tranche implementation plans, in the amount of US \$723,722, consisting of US \$603,005, plus agency support costs of US \$42,210 for UNDP, and US \$69,475, plus agency support costs of US \$9,032 for UNEP.

(Decision 86/86)Panama: HCFC phase-out management plan (stage III – first tranche) (UNDP)

301. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/68.
302. The Executive Committee decided:
- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Panama for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,292,500, plus agency support costs of US \$90,475 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
 - (b) To note the commitment of the Government of Panama:
 - (i) To reduce HCFC consumption by 97.5 per cent of the country's baseline by 2028, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024;
 - (c) To note also that the second tranche of stage III of the HPMP for Panama would be considered only upon completion of stage II of the HPMP and submission of the project completion report;
 - (d) To deduct 13.39 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

- (e) To approve the Agreement between the Government of Panama and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in Annex XLIII to the present report;
- (f) That, to allow for consideration of the final tranche of its HPMP, the Government of Panama should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) If Panama intended to have consumption in the period 2030–2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub-paragraph (e) above covering the period beyond 2030; and
- (g) To approve the first tranche of stage III of the HPMP for Panama, and the corresponding tranche implementation plan, in the amount of US \$206,800, plus agency support costs of US \$14,476 for UNDP.

(Decision 86/87)

Uruguay: HCFC phase-out management plan (stage III – first tranche) (UNDP)

303. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/80.

304. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Uruguay for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,289,170, plus agency support costs of US \$90,242 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Uruguay to reduce HCFC consumption by 97.5 per cent of the country's baseline by 1 January 2028, to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 13.43 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Uruguay and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in Annex XLIV to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Uruguay should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with

paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;

- (ii) If Uruguay intended to have consumption in the period 2030–2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub-paragraph (d) above covering the period beyond 2030; and
- (f) To approve the first tranche of stage III of the HPMP for Uruguay, and the corresponding tranche implementation plan, in the amount of US \$350,601, plus agency support costs of US \$24,542 for UNDP.

(Decision 86/88)

Tranche requests of stage II of HPMPs

Brazil: HCFC phase-out management plan (stage II – fourth tranche) (UNDP, UNIDO and the Governments of Germany and Italy)

305. The Executive Committee considered documents UNEP/OzL.Pro/ExCom/86/41 and Corr.1.

306. The Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the third tranche of stage II of the HCFC phase-out management plan (HPMP) for Brazil;
 - (ii) That US \$3,895,000, plus agency support costs of US \$272,650 for UNDP, associated with the funding tranche for 2020 would be requested in 2021;
 - (iii) That the three enterprises Climazon, Elgin and Gree that were included in the room air-conditioning manufacturing sector, had converted to R-410A technology with their own resources, resulting in the phase-out of 823.80 metric tonnes (45.31 ODP tonnes) of HCFC-22;
 - (iv) That the funding balance of US \$7,147,469, plus agency support costs of US \$500,323 for UNIDO, associated with the conversion of the enterprises referred to in sub-paragraph (a)(iii) above would be dealt with as follows:
 - a US \$744,104, plus agency support cost of US \$52,087 for UNIDO, had been returned to the 86th meeting;
 - b. US \$3,619,365, plus agency support cost of US \$253,356 for UNIDO would be deducted from the 2020 funding tranche of stage II of the HPMP;
 - c. US \$1,784,000, plus agency support cost of US \$124,880 for UNIDO would be deducted from the 2021 funding tranche of stage II of the HPMP;
 - d. US \$1,000,000, plus agency support cost of US \$70,000 for UNIDO would be deducted from the 2022 funding tranche of stage II of the HPMP;
 - (v) That US \$100,000, plus agency support cost of US \$7,000 for UNIDO, associated with the adjustment to the project management unit owing to the adjustment in the

room air-conditioning manufacturing sector referred to in sub-paragraph (a)(iii) above would be deducted from the funding tranche for 2021;

- (vi) That the Fund Secretariat had updated the Agreement between the Government of Brazil and the Executive Committee, as contained in Annex XLV to the present report, specifically: Appendix 2-A, owing to the postponement of the funding tranche for 2020 to 2021 referred to in sub-paragraph (a)(ii) above and the reduction of the UNIDO component on account of the removal of the three room air-conditioning enterprises referred to in sub-paragraphs (a)(iii), (iv) and (v) above, and paragraph 16, modified to indicate that the updated Agreement superseded that reached at the 82nd meeting;
- (b) To request UNDP to continue assisting the Government of Brazil in securing the supply of alternative technologies with low global-warming potential (GWP) to the systems house U-Tech, on the understanding that any incremental operating costs related to the conversion of froth system applications would not be paid under stage II until the technology originally selected or another technology with low GWP had been fully introduced, and to provide, at each meeting until the technology originally selected or another technology with low GWP had been fully introduced, a report on the status of the conversion, along with an update from the suppliers on the progress made towards ensuring that the selected technologies, including associated components, were available on a commercial basis in the country; and
- (c) To approve the fourth tranche of stage II of the HPMP for Brazil, and the corresponding 2021-2022 tranche implementation plan, in the amount of US \$1,004,545, plus agency support costs of US \$111,800 for the Government of Germany.

(Decision 86/89)

India: HCFC phase-out management plan (stage II – third tranche) (UNDP, UNEP and the Government of Germany)

307. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/54.

308. In response to comments by one member, additional information was provided on the actual and expected fund disbursements as at 20 November 2020, the reasons for the low disbursement levels and delays in implementation, the activities in the manufacturing sectors to be implemented until the end of 2020 and a detailed implementation plan covering January to March 2021.

309. The Executive Committee decided:

- (a) To note the progress report on the implementation of the second tranche of stage II of the HCFC phase-out management plan (HPMP) for India;
- (b) To note:
 - (i) That, as part of the submission for the fourth and final tranche of stage II of the HPMP, the Government of India would either return US \$709,493, plus agency support costs for UNDP, associated with the non-Article-5 ownership of Subros Ltd. or propose to replace that enterprise with an alternate enterprise, at which time any necessary adjustments to the funding level and remaining HCFC consumption eligible for phase-out would be made;

- (ii) That the Government had determined that the continuous-panel manufacturing production lines of three enterprises initially included in stage II of the HPMP were not in compliance with the 1 January 2015 ban, had excluded the conversion of those lines from the HPMP and would return the amount of US \$283,856 disbursed for the project, in line with decision 82/74(c);
 - (iii) That US \$4,062,046, plus agency support costs of US \$284,343, would be deducted from the approval for UNDP, in line with decision 77/43(d)(ii); and
- (c) To approve the third tranche of stage II of the HPMP for India, and the corresponding 2021–2022 tranche implementation plan, in the amount of US \$14,792,059, consisting of US \$12,045,500, plus agency support costs of US \$843,185 for UNDP, US \$210,000, plus agency support costs of US \$25,433 for UNEP and US \$1,500,000, plus agency support costs of US \$167,941 for the Government of Germany, noting that for the amount approved for Germany, US \$1,394,113, plus agency support costs of US \$156,086, would be allocated to the 86th meeting and US \$105,887, plus agency support costs of US \$11,855, would be allocated to the 87th meeting.

(Decision 86/90)

Lebanon: HCFC phase-out management plan (stage II – third tranche) (UNDP)

310. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/59.

311. One member noted with appreciation the relatively fast implementation of stage II of the HPMP for Lebanon, the successful conversion of almost all the HCFC manufacturing sector to lower-GWP alternatives and that an enterprise that had been reported over several meetings to be temporarily using a high-GWP HFC had been able to complete its conversion to hydrofluoroolefins.

312. The Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the second tranche of stage II of the HCFC phase-out management plan (HPMP) for Lebanon;
 - (ii) With appreciation, the report provided by UNDP and the efforts made by the Government of Lebanon and UNDP to discontinue the temporary use of a technology with high global-warming potential (GWP) and to introduce the approved low-GWP technology in both the foam and room air-conditioning manufacturing sectors;
 - (iii) That the ban on imports of HCFC-141b in bulk and contained in imported pre-blended polyols had been postponed to 1 January 2021;
 - (iv) The request of the Government of Lebanon to accelerate completion of stage II of its HPMP from 2025 to 2024;
 - (v) The commitment of the Government of Lebanon to reduce HCFC consumption by 62.5 per cent of the country's baseline by 2022 and 75 per cent by 2024;
- (b) To approve the revised duration of stage II of the HPMP from 2025 to 2024;

- (c) To note that the Fund Secretariat has revised the Agreement between the Government of Lebanon and the Executive Committee, as contained in Annex XLVI to the present report, specifically: paragraph 1, to revise the target consumption to be met by Lebanon in 2024, Appendix 2-A, to reflect the change of the duration of stage II, the change of the targets referred to in sub-paragraph (e) and the revised funding schedule to advance the funding tranche for 2021 to 2020 and the tranche for 2024 to 2023, and paragraph 16, which had been added to indicate that the revised updated Agreement superseded that reached at the 75th meeting; and
- (d) To approve the third tranche of stage II of the HPMP for Lebanon, and the corresponding 2020–2022 tranche implementation plan, in the amount of US \$420,462, plus agency support costs of US \$29,432, noting that recommendations from the verification of HCFC consumption would be addressed during the implementation of the third tranche of the HPMP.

(Decision 86/91)

AGENDA ITEM 10: OVERVIEW OF CURRENT MONITORING, REPORTING, VERIFICATION AND ENFORCEABLE LICENSING AND QUOTA SYSTEMS DEVELOPED WITH SUPPORT FROM THE MULTILATERAL FUND (DECISION 84/85)

313. The Executive Committee agreed to defer consideration of the overview of current monitoring, reporting, verification and enforceable licensing and quota systems developed with support from the Multilateral Fund, contained in document UNEP/OzL.Pro/ExCom/86/83, to the 87th meeting.

AGENDA ITEM 11: REVIEW OF INSTITUTIONAL STRENGTHENING PROJECTS, INCLUDING FUNDING LEVELS (DECISION 74/51(D))

314. The Executive Committee agreed to defer consideration of the review of institutional strengthening projects, including funding levels (decision 74/51(d)), contained in document UNEP/OzL.Pro/ExCom/86/84, to the 87th meeting.

AGENDA ITEM 12: ANALYSIS OF THE ADMINISTRATIVE COST REGIME AND CORE UNIT FUNDING (DECISION 84/61(C))

315. During IAPext-86, the Executive Committee considered information on the analysis of the administrative cost regime and core unit funding presented in document UNEP/OzL.Pro/ExCom/86/85.

316. One member sought clarification of how any adjustments to the 2021 core unit budgets agreed on the basis of the discussion of the analysis of the administrative cost regime and core unit funding at the 88th meeting could be implemented in practice, given that the approved funds for 2021 would largely have had been spent at that point. The Secretariat explained that, owing to the ongoing constraints imposed by the COVID-19 pandemic, savings on the core unit funding were expected. In the event, however, that the Executive Committee proposed adjustments to the 2021 core unit funding greater than the savings realized, it could take a decision at its 88th meeting on the basis on the results of the analysis submitted to that meeting.

317. The Executive Committee decided:

- (a) To note the information contained in document UNEP/OzL.Pro/ExCom/86/85 on analysis of the administrative cost regime and core unit funding (decision 84/61(c));

- (b) To allow bilateral and implementing agencies to continue using the existing administrative cost regime for projects to be submitted in 2021, on an exceptional basis and without setting a precedent; and
- (c) To request the Secretariat to present, at the 88th meeting, the outcomes of the analysis of the administrative cost regime and core unit funding, taking into consideration relevant decisions by the Executive Committee, including those from the 84th to 87th meetings, and relevant outcomes of discussions by the Parties on the replenishment of the Multilateral Fund for the triennium 2021–2023, on the basis of which the Committee would decide whether the administrative cost regime of the Multilateral Fund for the triennium 2018–2020 should be maintained for the triennium 2021–2023.

(Decision 86/92)

AGENDA ITEM 13: MATTERS RELATED TO THE KIGALI AMENDMENT TO THE MONTREAL PROTOCOL

(a) Development of the cost guidelines for the phase-down of HFCs in Article 5 countries: Draft criteria for funding (decision 83/65(d))

318. The Executive Committee agreed to defer consideration of the development of the cost guidelines for the phase-down of HFCs in Article 5 countries: Draft criteria for funding (decision 83/65 (d)), contained in document UNEP/OzL.Pro/ExCom/86/86, to the 87th meeting.

(b) A document discussing potential strategies, policy measures and commitments, as well as projects and activities that could be integrated within stage I of HFC phase down plans for Article 5 countries to ensure limits on growth and sustainable reductions in HFC consumption (decision 84/54(b))

319. The Executive Committee agreed to defer consideration of the document discussing potential strategies, policy measures and commitments, as well as projects and activities that could be integrated within stage I of HFC phase-down plans for Article 5 countries to ensure limits on growth and sustainable reductions in HFC consumption (decision 84/54(b)), contained in document UNEP/OzL.Pro/ExCom/86/87, to the 87th meeting.

(c) Draft guidelines for the preparation of HFC phase-down plans for Article 5 countries (decision 84/54(a))

320. At the formal online 86th meeting, the representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/86/88, which had been prepared pursuant to paragraph (a) of decision 84/54. She recalled that document UNEP/OzL.Pro/ExCom/86/87 on potential strategies, policy measures and commitments, as well as projects and activities that could be integrated within stage I of HFC phase-down plans for Article 5 countries, consideration of which had been deferred to the 87th meeting, had been prepared pursuant to paragraph (b) of the same decision.

321. Several members thanked the Secretariat for the document, saying that it was a good basis for discussion. Some stressed the importance of approving the guidelines as soon as possible to enable Article 5 countries to take action to prepare for HFC phase-down. In response to comments about documents UNEP/OzL.Pro/ExCom/86/88 and UNEP/OzL.Pro/ExCom/86/87 being best considered together, the representative of the Secretariat explained that it had been a conscious decision not to duplicate in one document items discussed in the other. Document UNEP/OzL.Pro/ExCom/86/88 therefore prioritized the consideration of funding levels to enable countries to initiate their work on HFC phase-down,

given that a number of project preparation proposals had already been submitted and were awaiting approval.

322. Several members underscored the need for an integrated approach to HCFC phase-out and HFC phase-down in order to avoid overlap or duplication, maximize synergies and ensure the most efficient use of Multilateral Fund resources. One member noted the absence from the draft decision in document UNEP/OzL.Pro/ExCom/86/88 of any mention of a comprehensive strategy for meeting the Montreal Protocol compliance targets for HCFCs and HFCs, despite several references to it both in document UNEP/OzL.Pro/ExCom/86/88 and document UNEP/OzL.Pro/ExCom/86/87. Another member pointed out that the possibility of “discounting” those HFC-related activities that had been previously funded, such as surveys and enabling activities, in a manner similar to that foreseen in decision 55/13 for HPMPs, did not appear in the draft guidelines for the preparation of HFC phase-down plans. One member proposed that the Secretariat prepare a document comparing the preparation process for HPMPs with the proposed process for preparation of HFC phase-down plans.

323. Several members stressed the importance of identifying and including in the phase-down plans the multiple sectors and sub-sectors using HFCs in a country, despite the predominance in the document of the refrigeration servicing sector. One member emphasized the need for a thorough understanding of each sector, through work with a variety of experts, in customs, toxicity, flammability and safety. She also said that the successful implementation of HFC phase-down activities would need to take in account not only technical issues but also social issues.

324. One member suggested the addition of text on opportunities for enhancing energy efficiency and on the inclusion in the HFC phase-down plan of a description of institutional actors in relation to the promotion of energy efficiency in the refrigeration and air-conditioning sector. Another member, however, recalled that energy efficiency was not a compliance issue and said that, if demands were made on Article 5 countries in relation to energy efficiency, non-Article 5 countries should be held to the same standards. He made the similar point about data collection, stating that data gathered by Article 5 countries and non-Article 5 countries should be compatible, such to permit, for example, the comparison of an export from one country with its import into another. Another member said that data collection should build on lessons learned from HCFC phase-out and expressed support, in cases where HFC projects were approved in the absence of a starting point for aggregate reductions in HFC consumption, for an approach similar to that used under the HPMPs. Other members supported the idea of some individual HFC investment projects proceeding in advance of finalization of the HFC phase-down plan for the country in question, as had occurred in relation to HCFCs.

325. One member suggested making a more substantive reference in the draft decision to the commitment by Governments to ensuring limits on the growth in HFC consumption and sustaining over time the phase-out of HFCs achieved. She proposed that there be more detail about the actions and activities to be undertaken and the Government’s overall plan. Two members responded. The first said that it must be recognized that the action taken by each country would depend on the conditions in that country, the progress made and the accessibility and use of alternatives; the second confirmed the need for flexibility in the interpretation of demonstration of commitment.

326. One member requested additional information, including on alternatives and not-in-kind technologies, and proposed that the guidelines take into account not only the availability of alternatives, but also their accessibility, noting the related definitions provided by the TEAP task force on decision XXXI/7 (energy efficiency).

327. A few members stressed the need to ensure that the name of the HFC phase-down plans, and its abbreviation, was succinct and sufficiently different from “HCFC phase-out management plan” and “HPMP”. One member suggested that they be called “Kigali implementation plans” (KIPs), while other

members mentioned that HFC should be part of the name, and suggested alternatives such as “Kigali HFC management plan” (KHMP) or “HFC implementation plan” (HIP).

328. Responding to other comments and questions from members, the representative of the Secretariat clarified that the inclusion of assistance for the development of legislation, policies and regulations in the funding for the preparation of an overarching strategy for stage I of HFC phase-down plans was an approach similar to that employed for the HPMPs, as such action was required during the preparation phase. It was not incompatible, therefore, to request the bilateral and implementing agencies to confirm that this had been done when submitting their requests for funding for stage I of HFC phase-down plans.

329. The Executive Committee agreed to establish a contact group to consider the matter further.

330. Reporting back, the convener of the contact group said that the group had been unable to reach consensus on the draft guidelines. He therefore expressed his personal view that the Executive Committee could adopt, on an interim basis, the draft guidelines as originally proposed by the Secretariat to enable the Committee to move forward in a uniform way with the requests for funding for the preparation of HFC phase-down projects already submitted by countries, on the understanding that the level of any funding approved on the basis of the interim guidelines would be adjusted, if necessary, at a subsequent meeting, to ensure that it was in accordance with the guidelines as finally adopted. One member said that, if the Committee were to proceed in such a manner, it would have to clarify the exact procedure for use of interim guidelines.

331. Subsequently, the Governments of Australia and the United States of America submitted a draft decision that proposed further discussion of the draft guidelines at the 87th meeting and, in the interim, in the absence of adopted guidelines, the provision, on an exceptional basis, of advance funding of US \$50,000, plus agency support costs, to countries that had submitted requests for funding for the preparation of stage I of an HFC phase-down plan. The funding would be provided on the understanding that it would be used to start the review of existing regulations, policies and import/export licensing systems in terms of their application to HFCs; to identify stakeholders and institutions that would be engaged in HFC phase-down; to update data-collection and -analysis systems ahead of HFC surveys; and to commence consultations with relevant stakeholders on the national approach to be taken to HFC phase-down. Further funding for the preparation of overarching strategies and stage I of HFC phase-down plans would be considered only once the guidelines had been agreed, and the advance funding would be deducted from any amount granted.

332. One member supported the proposal to provide advance funding, as a way of keeping up the momentum ahead of the 87th meeting. Several members, however, said that they preferred the proposal by the convener of the contact group on the interim use of the guidelines proposed by the Secretariat. One of them said that the proposal by Australia and the United States of America had arrived very late and, owing to the timing and the virtual nature of the meeting, members of his delegation had not had time to confer. He said that the practice of sending proposals at the last minute was unacceptable.

333. Another member commented that the uniform sum of US \$50,000 represented a highly variable percentage of the overall funding being requested by each country, and thus the approach was inequitable. He also expressed concern that, if the guidelines were not approved at the 87th meeting, and no more funding were forthcoming, then countries that had started work on the stated activities and had spent the advance funding might find their activities in jeopardy. He did not want to lose momentum.

334. Several members stressed the imperative of adopting guidelines at the 87th meeting. One member underlined the importance of allocating sufficient time for the discussions at that meeting, to allow that to happen. Another member proposed the discussions build on the work on the guidelines already undertaken by the contact group. The representative of the Secretariat confirmed that all the requests for funding for

the preparation of HFC phase-down plans for Article 5 countries that had been submitted to the 85th and 86th meetings would be forwarded to the 87th meeting.

335. The Executive Committee decided to continue consideration of the draft guidelines for the preparation of HFC phase-down plans for Article 5 countries at its 87th meeting, on the basis of the working document produced by the contact group formed at the 86th meeting, as contained in Annex XLVII to the present report.

(Decision 86/93)

(d) Analysis of the level and modalities of funding for HFC phase down in the refrigeration servicing sector (decisions 83/65(b) and 84/86(b)(ii))

336. The Executive Committee agreed to defer consideration of the analysis of the level and modalities of funding for HFC phase-down in the refrigeration servicing sector (decisions 83/65(b) and 84/86(b)(ii)), contained in document UNEP/OzL.Pro/ExCom/86/89, to the 87th meeting.

(e) A synthesis report describing best practices and ways for the Executive Committee to consider operationalizing paragraph 24 of decision XXVIII/2 (decision 84/87(b))

337. The Executive Committee agreed to defer consideration of the synthesis report describing best practices and ways for the Executive Committee to consider operationalizing paragraph 24 of decision XXVIII/2 (decision 84/87(b)), contained in document UNEP/OzL.Pro/ExCom/86/90, to the 87th meeting.

(f) Analysis of and information on the incremental costs and their duration, and the cost effectiveness of all approved investment projects in the relevant manufacturing sectors and sub-sectors (decision 84/87(a))

338. The Executive Committee agreed to defer consideration of the analysis of information on the incremental costs and their duration, and the cost effectiveness of all approved investment projects in the relevant manufacturing sectors and sub-sectors (decision 84/87(a)), contained in document UNEP/OzL.Pro/ExCom/86/91, to the 87th meeting.

(g) Energy efficiency

(i) Paper on ways to operationalize paragraph 16 of decision XXVIII/2 and paragraph 2 of decision XXX/5 of the Parties (decision 84/88)

339. The Executive Committee agreed to defer consideration of the paper on ways to operationalize paragraph 16 of decision XXVIII/2 and paragraph 2 of decision XXX/5 of the Parties (decision 84/88), contained in document UNEP/OzL.Pro/ExCom/86/92, to the 87th meeting.

(ii) Framework for consultations with relevant funds and financial institutions to explore the mobilization of additional financial resources for maintaining or enhancing energy efficiency when replacing HFCs with low global-warming potential refrigerants in the refrigeration and air conditioning sector (decision 84/89)

340. At the formal online 86th meeting, the representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/86/93.

341. In the ensuing discussion, there was widespread appreciation for the work of the Secretariat in preparing a document on what two members stressed was an issue of great importance. One member noted that, although energy-efficiency matters were not compliance-related, failure to tackle them would

contribute to some countries remaining dependent on equipment using high-GWP HFCs; he said that it was crucial to develop performance metrics to measure, monitor and report on the achievement of both project-specific and national energy-efficiency targets. Another member said that actions designed to enhance energy efficiency, such as upgrades to manufacturing lines, should be addressed holistically, and that feasible solutions should be found to provide countries with adequate funding support for the replacement of HFCs. As in the past, an approach whereby the Executive Committee gathered knowledge and experience through the implementation of projects could be considered. One member noted that enhancing energy efficiency was a complicated and expensive process and that the approach should take into consideration both what was feasible and what was desirable.

342. Many members mentioned that the Secretariat should build on the information-gathering efforts undertaken for the document, including by continuing to consult with other financial organizations and by seeking the views of TEAP and external experts on emerging energy-efficient technologies. Furthermore, they stated that cooperating with other, mostly larger, financial institutions would enable the Multilateral Fund to have a greater impact than it could achieve with its own, relatively modest resources, but that the specific financial institutions to approach would depend on the activities envisaged. While it made sense to approach multilateral financial institutions such as the GEF and the GCF, particularly given the history of positive interaction with the Multilateral Fund, the Secretariat could also approach other potential partners, including multilateral climate funds and multilateral and regional development banks. It would also be helpful to find out from potential partners what activities they would consider for funding and what their requirements were in terms, for example, of project approval mechanisms, performance measurement framework and decision-making timelines. It would also be interesting to know whether the Secretariat had researched the types of arrangements that might be possible with other financial institutions, including, for example, a broad memorandum of understanding. Furthermore, the implementing agencies should be involved in defining the framework for consultations as part of a bottom-up approach, in light of their knowledge of the procedures and operating practices of some of the financial institutions to be approached.

343. Two members asked why, on the basis of its informal consultations with GEF and GCF, the Secretariat had concluded that there were limited opportunities to access funds from those institutions to enhance energy efficiency. In reply, the representative of the Secretariat said that, as GEF funds for climate change mitigation were currently disbursed through its system for transparent allocation of resources, which required funding requests to be part of project proposals submitted by developing countries within a climate change mitigation portfolio, direct collaboration with GEF for accessing funds was complicated. GCF, meanwhile, had not earmarked funds for activities to enhance energy efficiency in cooling applications and accepted proposals only from accredited entities or bodies working with them.

344. Responding to another question, the representative of the Secretariat said that the broad cost estimates in Annex I to document UNEP/OzL.Pro/ExCom/86/93 were based on reports published by international institutions and would have to be refined depending on several factors. One member suggested that the agreed incremental costs model that appeared to have been followed for some of the costs presented in Annex I was perhaps not applicable to activities to enhance energy efficiency, which could be expensive but also offered enormous payback, sometimes within only two or three years.

345. Furthermore, the representative of the Secretariat clarified that, in conducting its research and drafting the document, the Secretariat had drawn on relevant technical information published by TEAP, although TEAP had not been contacted directly; and that more time would be needed to gauge the additional burden on the Secretariat in reviewing projects that included energy-efficiency components if the decision proposed in the document was adopted. Some members expressed their willingness to explore ways of alleviating the potential burden on the Secretariat, for example by providing additional resources that could be used to hire consultants with relevant technical expertise.

346. One member said that, while his delegation welcomed the possibility of the Executive Committee considering additional contributions from non-Article 5 Parties for enhancing energy efficiency, it did not

support requesting the Secretariat to hold formal consultations with the government funding institutions of those countries, as those Governments were represented on the Committee and could thus convey their interest in providing additional funds to enhance energy efficiency at any time.

347. Two members said that the document presented by the Secretariat had gone beyond the mandate given to it by decision 84/89. One of those members added that the Executive Committee should focus initially on responding to decision XXX/5 of the Parties and decision 84/89, before considering other concerns; in the document, only paragraphs 65 to 69 and the information contained in Annex II could be seen to constitute the basis for a framework for consultations with relevant funds and financial institutions, although several elements were missing. The member, therefore, proposed that Executive Committee members should be invited to submit, by 14 May 2021, their views on which institutions should be formally approached; which types of activity and project related to enhancing energy efficiency could be considered for potential funding from sources outside of the Multilateral Fund; which types of collaborative arrangement the Multilateral Fund should consider with other institutions; and which key questions needed to be answered by these institutions. He said that the information in Annex II of document UNEP/OzL.Pro/ExCom/86/93 could be used for outreach purposes, but that it would benefit from being more succinct, more clearly organized and adapted to reflect the current discussion. He therefore proposed that members also submit comments on that information note.

348. Some members expressed their concern that the approach in the report was top-down and too much centred on the role of the financial institutions. It was stressed that the process of initiation, implementation and coordination of energy efficiency should be developed from the bottom up with national institutions and implementing agencies as key actors in managing and integrating the demands and resources from various donors and funding sources; understanding the perspectives of these actors was key to facilitating the process and implementation.

349. One member, supported by two others, proposed that the Executive Committee request the Secretariat to prepare, for the first meeting in 2022, a report identifying options, both within the Multilateral Fund and through work with other financial institutions, for the inclusion of innovative funding models, such as incentives and concessional finance, along with estimates of the costs and benefits of potential interventions to maintain or enhance energy efficiency through installation and maintenance of equipment, manufacturing sector conversions and broad energy-efficiency policy measures, such as MEPS, labelling or consumer incentives. Another member proposed that the report look at how the relevant procedures and conditionalities for obtaining funding from institutions for energy efficiency could be aligned with Multilateral Fund projects.

350. During the discussions, working text was proposed by other members to provide additional guidance to the Secretariat in preparing a report on options available for the mobilization of additional financial resources for maintaining and/or enhancing energy efficiency when phasing out HFCs in the refrigeration and air-conditioning sector.

351. While two members said that it was challenging to address the complex issues raised by the document in a virtual meeting, there was general agreement that more time was needed to consider the issues and the proposals by members on the working text to be included in a draft decision.

352. Following a discussion, the Executive Committee agreed to reconstitute the contact group on energy efficiency to discuss the matter further and that the contact group would meet again after conclusion of the formal online 86th meeting, but still during the period agreed for the IAPext-86, on 21 April 2021. Any draft decision agreed on by the contact group would be posted on the in-session website of the 86th meeting for consideration by the Committee on a non-objection basis. If any delegation expressed an objection to the draft decision, or if the contact group were unable to reach agreement, consideration of the matter would be deferred to the 87th meeting.

353. Following a discussion in the contact group, the convener informed the Chair that the group had been unable to arrive at a conclusion and proposed that the matter be taken up at the 87th meeting.

354. The Executive Committee decided to continue, at its 87th meeting, consideration of the framework for consultations with relevant funds and financial institutions to explore the mobilization of additional financial resources for maintaining or enhancing energy efficiency when replacing HFCs with low-global-warming-potential refrigerants in the refrigeration and air-conditioning sector, on the basis of the working document produced by the contact group formed at the formal online 86th meeting, as contained in Annex XLVIII, to the present report.

(Decision 86/94)

(h) Key aspects related to HFC-23 by-product control technologies (decisions 84/90 and 84/91)

355. The Executive Committee agreed to defer consideration of the Key aspects related to HFC-23 by-product control technologies (decisions 84/90 and 84/91), contained in document UNEP/OzL.Pro/ExCom/86/94, to the 87th meeting.

356. At the formal online 86th meeting, it was recalled that, at its 84th meeting, the Executive Committee had considered document UNEP/OzL.Pro/ExCom/84/70, which comprised policy issues arising in projects in Argentina and Mexico; document UNEP/OzL.Pro/ExCom/84/71, which contained a resubmitted proposal for a project to control and phase out HFC-23 by-product emissions at Frio Industrias Argentinas (FIASA) in Argentina; and document UNEP/OzL.Pro/ExCom/84/72, which presented project proposal options for controlling and phasing out HFC-23 by-product emissions at Quimobásicos in Mexico. Following discussions in plenary at the 84th meeting, the Executive Committee had agreed to establish a contact group to hold additional discussions on the three documents.

357. Following the discussions in that contact group, the Executive Committee had decided to defer its consideration of the projects to control HFC-23 by-product emissions in Argentina and Mexico to the 85th meeting (decisions 84/90 and 84/91, respectively). In line with the intersessional approval process established for that meeting, the Executive Committee had decided to consider the two project proposals and related policy matters at its 86th meeting; agreed to reconstitute the contact group and hold online meetings to pursue consideration of the projects in Argentina and Mexico; and defer, to the 87th meeting, consideration of the policy matters contained in document UNEP/OzL.Pro/ExCom/86/94.

358. Reporting to the Executive Committee at the formal online 86th meeting, the convener of the contact group said that the group had held two online meetings on 7 and 8 April 2021. Some of the issues common to both projects that had been discussed included the length of time for which incremental operating costs should be provided; whether such costs should even be considered incremental operating costs; how the cost of verification of the amounts of HFC-23 that had been destroyed should be considered and whether such verification should continue after the completion of the projects; the costs of the projects; the need to consider the most cost-effective approach to controlling HFC-23 by-product emissions; and the fact that refurbishment of the incinerators under both projects was likely to take longer than originally anticipated.

359. The contact group had also discussed issues particular to each project. For the project in Argentina, the discussion had focused on the option of refurbishing the incinerator, though there had also been some discussion of the financial viability of the enterprise and of the need to follow the most cost-effective approach for the control of HFC-23 by-product emissions. There had been considerable discussion of how the fixed costs of destruction should be considered in light of the possibility of operating the incinerator in campaigns; the need for employees with specialized training to operate the incinerator; the HFC-23 by-product generation rate; and other matters. For the project in Mexico, there had been considerable discussion of the establishment of a national emissions trading system and the need to ensure that there would be no mixing of funding in line with paragraph 1 of Article 10 of the Montreal Protocol; whether

destruction was “to the extent practicable” under one of the options in the project document; the eligibility of HFC-23 by-product associated with HCFC-22 exported to a non-Article 5 country; whether optimization of the process to further reduce the HFC-23 by-product generation rate could be given more consideration; and other issues.

360. The group had held robust discussions but requested more time. Some representatives noted that, in the context of virtual meetings, it was challenging to schedule additional meetings at short notice, with one stating that lessons should be learned from the experience. During the 87th meeting, for example, sufficient time should be set aside for informal and contact group meetings.

361. The Executive Committee agreed that the contact group would meet again after conclusion of the formal online 86th meeting, but still during the period agreed for the IAPext-86, on 20 and 22 April 2021. Any draft decision agreed on by the group would be posted on the in-session website of the 86th meeting for consideration by the Committee on a non-objection basis. If any delegation expressed an objection to the draft decision, or if the contact group were unable to reach agreement in relation to a project, consideration of the matter would be deferred to the 87th meeting.

362. Subsequently, the convener reported that during its additional meetings, the contact group had discussed two conference room papers. One had contained a draft decision on the project in Argentina, submitted by the Governments of Australia, Belgium, Czechia, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America; the other contained had a draft decision on the project in Mexico, submitted by the Governments of Australia, Czechia, Switzerland and the United States of America.

Key aspects related to HFC-23 by-product control technologies: Argentina (decision 84/90)

363. The convener of the contact group reported that, during the discussion on the project in Argentina and the proposed draft decision, questions had been raised on a number of issues, including the provision related to the possible closure of the enterprise prior to 1 January 2024; funding for monitoring and verification; and the date of completion of the project. A key concern was the level of funding proposed and the basis used to determine that funding. While the proposed incremental capital costs were close to those requested, the incremental operating costs of the projects in Argentina and Mexico differed substantially. For Argentina, they were based on the incinerator operating in campaigns, which was something that the Government could not compel the enterprise to do, and were not being provided for the duration of the project. By the end of its meetings, the contact group had been unable to reach consensus on the project in Argentina and proposed continuing discussions at the 87th meeting, at which the Government of Argentina, through UNIDO, would also submit a counterproposal.

364. The Executive Committee decided

- (a) To continue consideration of the project to control HFC-23 by-product emissions at Frio Industrias Argentinas in Argentina, contained in document UNEP/OzL.Pro/ExCom/86/95, Key aspects related to HFC-23 by-product control technologies: Argentina (decision 84/90), at the 87th meeting;
- (b) To note the working document containing a draft decision on the project referred to in sub-paragraph (a) above that had been considered by the contact group at the 86th meeting, as contained in Annex XLIX to the present report, and that that the Government of Argentina, through UNIDO, would submit a counterproposal for consideration at the 87th meeting.

(Decision 86/95)

Key aspects related to HFC-23 by-product control technologies: Mexico (decision 84/91)

365. The convener of the contact group reported that, during the discussions on the project in Mexico and the proposed draft decision, it had been noted that efforts would be made to refurbish the plasma-arc incinerator as expeditiously as possible. As such efforts might be delayed by the COVID-19 pandemic, however, flexibility had been requested, such that the destruction of HFC-23 by-product could commence by May 2022, on the understanding that there would be a commensurate reduction in funding on the basis of the agreed incremental operating costs and the HFC-23 by-product not destroyed. It had been agreed that such a provision would need to be included in the draft Agreement between the Government of Mexico and the Executive Committee to be submitted to the 87th meeting. The contact group had also discussed other matters, including the performance standard requiring that emissions for both HCFC-22 production lines to be at or below 0.1 kg of HFC-23 per 100 kg of HCFC-22 produced; the commitment by the Government to ensure that there would be no additional funding from other sources for the control of HFC-23 by-product emissions during or after completion of the project; and the possibility of streamlining some of the text in the draft decision.

366. By the end of its meetings, the contact group had agreed on a draft decision. In relation to including the consequent provisions in the draft Agreement to be considered at the 87th meeting, one member expressed his delegation's willingness to work through the draft Agreement with the Government of Mexico at that meeting.

367. The Executive Committee decided:

- (a) To note the project proposal options to control and phase out HFC-23 by-product emissions at Quimobásicos contained in document UNEP/OzL.Pro/ExCom/86/96, Key aspects related to HFC-23 by-product control technologies: Mexico (decision 84/91);
- (b) To approve, in principle, US \$3,833,384, plus agency support costs of US \$268,337 for UNIDO, to enable the Government of Mexico to comply with the HFC-23 by-product emission control obligations under the Kigali Amendment to the Montreal Protocol, on the understanding that:
 - (i) The Government of Mexico would ensure that, by 1 January 2022 and thereafter, emissions of HFC-23 by-product from HCFC-22 production lines were destroyed in compliance with the Montreal Protocol, such that emissions for both lines were at or below 0.1 kg of HFC-23 per 100 kg of HCFC-22 produced;
 - (ii) The Government of Mexico had the flexibility to use the funding approved in principle in sub-paragraph (b) above to refurbish either of the two, or both, plasma-arc destruction units installed at Quimobásicos, as described in document UNEP/OzL.Pro/ExCom/85/65, on the understanding that any additional funding required would be covered by Quimobásicos;
 - (iii) A maximum amount of US \$2,995,047, out of the total funding approved, was associated with incremental operating costs and would be divided into annual tranches to be provided to Mexico upon verification of the quantity of HFC-23 by-product destroyed;
 - (iv) The incremental operating costs in each annual tranche would be calculated by multiplying the number of kilogrammes of HFC-23 destroyed by US \$3.28/kg;

- (v) The project would be completed by 1 January 2031;
 - (vi) The Government of Mexico committed to ensuring that there would be no additional funding from other sources, including HFC-23 credits or offsets, for the control of HFC-23 by-product emissions from the production lines concerned, during or after completion of the project;
- (c) To note:
- (i) The commitment by Quimobásicos to suspend production of HCFC-22 for up to two weeks to allow for the repair of the plasma-arc destruction unit, if the Government of Mexico were to choose Option 1A in document UNEP/OzL.Pro/ExCom/85/65;
 - (ii) The commitment by the Government of Mexico to ensure that emissions of HFC-23 by-product from HCFC-22 production by Quimobásicos would continue to be controlled and verified in the same manner after the completion of the project, including by means of policies and legislation;
 - (iii) That the funding approved in principle specified in sub-paragraph (b) above was the total funding that would be available to the Government of Mexico from the Multilateral Fund for the control of HFC-23 by-product emissions;
 - (iv) The funding provided included reductions for non-Article 5 ownership and exports to non-Article 5 Parties;
 - (v) The costs agreed for the project recognized the special circumstances of the project in Mexico and did not set a precedent for any other projects related to the control of HFC-23 by-product emissions;
- (d) To request the Secretariat, in cooperation with UNIDO, to prepare a draft Agreement between the Government of Mexico and the Executive Committee for the control of HFC-23 by-product emissions for consideration at the 87th meeting, in light of the guidance provided by the Executive Committee at the 86th meeting;
- (e) To invite the Government of Mexico, after the completion of the project, to consider requesting additional funding, for independent verification of the HFC-23 by-product generated, destroyed, sold, stored and emitted, under the subsequent stage of its HCFC phase-out management plan, until approval of the HFC phase-down plan for the country, at which time verification would continue under that plan; and
- (f) To approve the first tranche of the project to control and phase out HFC-23 by-product emissions at Quimobásicos in Mexico, and the corresponding 2021–2022 implementation plan, in the amount of US \$483,058, plus agency support costs of US \$33,814 for UNIDO.

(Decision 86/96)

AGENDA ITEM 14: REPORT OF THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL TO THE THIRTY-SECOND MEETING OF THE PARTIES

368. Considered during IAPext-86, document UNEP/OzL.Pro/ExCom/86/97 presented the activities undertaken by the Executive Committee since the Thirty-first Meeting of the Parties; a summary of the project approvals during the IAP-85; and the agreed procedures for conducting the 85th and 86th meetings

of the Executive Committee. The document was submitted to the Ozone Secretariat for consideration of the Parties at their Thirty-Second Meeting.

AGENDA ITEM 15: REPORT OF THE SUB-GROUP ON THE PRODUCTION SECTOR

369. During the formal online 86th meeting, the facilitator of the Sub-group on the Production Sector introduced document UNEP/OzL.Pro/ExCom/86/98, which contained the report of the Sub-group. She said that the Sub-group for 2020 had met, virtually, once, in December 2020, while the Sub-group for 2021 had held two virtual meetings in March 2021. The Sub-group had focused its discussion on matters related to the phase-out of HCFC production in China and a request for authorization to carry out a technical audit of the HCFC production sector in India at Hindustan Fluorocarbons Limited. The report of the Sub-group included recommendations for consideration by the Executive Committee on the updated 2018 verification report of the HCFC production sector in China, which would be submitted to the last meeting of 2021, and the approval, in principle, of stage II of the HPPMP for China. No consensus had been reached, however, on approval of the draft Agreement for stage II of the HPPMP for China or on the recommendations by the Secretariat related to the investigation of HCFC feedstock applications in China. The Sub-group recommended further discussion of those items at the 87th meeting of the Executive Committee.

370. Owing to a lack of time, the Sub-group had not been able to discuss the draft HCFC production sector guidelines or the draft guidelines and the standard format used for the verification of ODS production phase-out, and therefore recommended deferral of their consideration to a future meeting.

371. While the Sub-group had reached consensus on noting the submission of preliminary data and the request for authorization to carry out a technical audit of the HCFC production sector in India, contained in document UNEP/OzL.Pro/ExCom/86/SGP/7, there had been no agreement on approval of the request.

Draft guidelines and the standard format used for the verification of ODS production phase-out (decision 84/95)

372. The Executive Committee decided to defer consideration of the draft guidelines and the standard format used for the verification of ODS production phase-out to a future meeting.

(Decision 86/97)

Updated 2018 verification report of the HCFC production sector in China (decision 84/93(b))

373. The Executive Committee decided:

- (a) To note that the World Bank had not yet been able to undertake the updated 2018 verification in China, requested by decision 84/93(b), owing to the coronavirus disease pandemic; and
- (b) That the World Bank would undertake the verification referred to in sub-paragraph (a) above as part of the 2019 and 2020 verification of the HCFC production sector in China, to be conducted in 2021, and would submit a report thereon to the Executive Committee at its last meeting of 2021.

(Decision 86/98)

Stage II of the HCFC production phase-out management plan for China (decision 84/69(b))

374. The Executive Committee decided:

- (a) To note the progress report on implementation of activities funded by the US \$23 million

approved in decision 81/71(b), the implementation plan for 2020–2022 and the submission of stage II of the HCFC production phase-out management plan (HPPMP) for China;

- (b) To approve, in principle, stage II of the HPPMP for China for the period 2018–2026 to reduce HCFC production for controlled uses by 67.5 per cent and 71.5 per cent of the baseline, by 2025 and 2026, respectively, in the amount of US \$70,752,000, consisting of US \$67,000,000, plus agency support costs of US \$3,752,000 for the World Bank, and including the sum of US \$23,000,000, plus agency support costs of US \$1,288,000 for the World Bank, already approved in decision 81/71(b);
- (c) To note that US \$45,143 of cumulative interest accrued during stage I and stage II of the HPPMP between 2015 and 2019 would be deducted from the second tranche of stage II of the HPPMP, when approved, and that the present decision would supersede decisions 77/66(b), 80/80(b) and 82/88(c);
- (d) To note also that the World Bank would undertake the 2019 and 2020 HCFC production verification under stage II of the HPPMP in 2021 and would submit a report thereon to the Executive Committee at its last meeting of 2021;
- (e) To request the World Bank, as part of the verification exercise referred to in sub-paragraph (d) above, to verify, on a one-off basis:
 - (i) That the newly established production lines for HCFC-22 in Jiangxi Zhongfu Chemical Materials Technology, Jiangxi Lee and Man Chemical Company and Inner Mongolia Yonghe Fluorochemical Co., as well as those for HCFC-142b in Inner Mongolia 3F Wanhao Fluorochemical, were vertically integrated with the production of downstream facilities and that all HCFCs produced in the new lines would be channelled to feedstock use;
 - (ii) The date of cessation of production at the new HCFC-142b production line at Taixing Meilan;
 - (iii) That the closure and dismantling of the new 5,500 metric tonnes/year HCFC-142b production line at Inner Mongolia 3F Wanhao Fluorochemical had taken place;
 - (iv) That the pipeline connection between the HCFC-142b production, the bulk storage tank and the product packaging station at Inner Mongolia Yonghe Fluorochemical Co., had been dismantled; and
- (f) To request the Secretariat to present the draft Agreement for stage II of the HPPMP, as orally amended by the Sub-group on the Production Sector, for consideration by the Executive Committee at its 87th meeting.

(Decision 86/99)

Final document on the investigation of HCFC feedstock application in China (decisions 83/71(c) and 84/96)

375. The Executive Committee decided to defer consideration of the final document on the investigation of HCFC feedstock application in China to a future meeting.

(Decision 86/100)

Draft HCFC production sector guidelines (decision 84/97)

376. The Executive Committee decided to defer consideration of the draft HCFC production sector guidelines to a future meeting.

(Decision 86/101)

Preliminary data and request for authorization to carry out the technical audit of the HCFC production sector in India: Hindustan Fluorocarbons Limited

377. The Executive Committee decided to note the submission of the preliminary data and request for authorization to carry out the technical audit of the HCFC production sector in India: Hindustan Fluorocarbons Limited contained in document UNEP/OzL.Pro/ExCom/86/SGP/7.

(Decision 86/102)

AGENDA ITEM 16: OTHER MATTERS

378. There were no other matters raised.

AGENDA ITEM 17: ADOPTION OF THE REPORT

379. The Executive Committee adopted its report on the basis of the advance version of the report contained in document UNEP/OzL.Pro/ExCom/86/100.

AGENDA ITEM 18: CLOSURE OF THE MEETING

380. The formal online 86th meeting was closed at 10 a.m. on 16 April 2021 and the adoption of the report completed at 7:10 a.m., on 28 June 2021.

Annex I

VACANCY ANNOUNCEMENT FOR THE POST OF THE FOURTH CHIEF OFFICER



Job Opening

Job Title:	CHIEF OFFICER, Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, D2
Department/ Office:	United Nations Environment Programme
Duty Station:	MONTREAL
Posting Period:	To be updated
Job Opening Number:	To be updated

United Nations Core Values: Integrity, Professionalism, Respect for Diversity Org.

Setting and Reporting

The United Nations Environment Programme (UNEP) is the United Nations system's designated entity for addressing environmental issues at the global and regional level. Its mandate is to coordinate the development of environmental policy consensus by keeping the global environment under review and bringing emerging issues to the attention of governments and the international community for action. The Multilateral Fund (MFS) for the Implementation of the Montreal Protocol is dedicated to reversing the deterioration of the Earth's ozone layer and phasing down hydrofluorocarbon controlled under the Montreal Protocol. It was established in 1991 to assist developing countries to meet their Montreal Protocol commitments in complying with the control measures specified under the Montreal Protocol. The Fund Secretariat is administered by UNEP. This post is located in UNEP/MFS at the Montreal duty station. Under the guidance and instruction of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, the Chief Officer will assist the Executive Committee in the discharge of its functions and report to it.

Responsibilities

Directing the development of the Multilateral Fund strategic plan, operational policies and guidelines. Developing three-year budgets and plans for the Multilateral Fund for consideration by the Executive Committee. Managing the financial resources and developing plans and strategies on the basis of available financial resources. Managing relations with, and coordinating the work of the implementing agencies of the Multilateral Fund: UNDP, UNEP, UNIDO and the World Bank. Establishing and managing effective relations with Article 5 countries to promote environmental issues and ensure the achievement of the Montreal Protocol phase-out and phase-down targets of controlled substances. Directing the assessment of activities and projects established on the basis of developing countries' compliance needs. Effectively managing the

Secretariat by providing leadership in fostering UN values and principles through setting performance objectives and standards, conducting performance appraisals, assessing staff training needs, and establishing short- and long-term goals and objectives.

Competencies

Professionalism: Demonstrates professional competence and mastery of subject matter, is conscientious and efficient in meeting commitments, observing deadlines and achieving results. Shows pride in work and in achievements; Is motivated by professional rather than personal concerns; Shows persistence when faced with difficult problems or challenges; Remains calm in stressful situations.

Accountability: Takes ownership of all responsibilities and honours commitments; Delivers outputs for which one has responsibility within prescribed time, cost and quality standards; Operates in compliance with organizational regulations and rules; Supports subordinates, provides oversight and takes responsibility for delegated assignments; Takes personal responsibility for his/her own shortcomings and those of the work unit, where applicable.

Communication: Speaks and writes clearly and effectively; Listens to others, correctly interprets messages from others and responds appropriately and exhibits interest in having two-way communication; Tailors language, tone, style and format to match the audience; Demonstrates openness in sharing information and keeping people informed.

Leadership: Serves as a role model that other people want to follow; Empowers others to translate vision into results; Is proactive in developing strategies to accomplish objectives; Establishes and maintains relationships with a broad range of people to understand needs and gain support; Anticipates and resolves conflicts by pursuing mutually agreeable solutions; Drives for change and improvement; does not accept the status quo; Shows the courage to take unpopular stands.

Managing performance: Delegates the appropriate responsibility, accountability and decision-making authority. Makes sure that roles, responsibilities and reporting lines are clear to each staff member. Accurately judges the amount of time and resources needed to accomplish a task and matches task to skills; Monitors progress against milestones and deadlines; Regularly discusses performance and provides feedback and coaching to staff; Encourages risk-taking and supports creativity and initiative; Actively supports the development and career aspirations of staff; Appraises performance fairly.

Education

Advanced university degree at masters or preferably Ph.D. level would be required with preference in economics, business administration, finance, public administration or any other relevant field.

Work Experience

A minimum of 15 years of professional working experience related to policy development, project evaluation and implementation, with at least 7 years at a senior level, is required. Extensive experience working with the Montreal Protocol, the Multilateral Fund or other multilateral financial institutions and funds, is desirable. Qualifying years of experience are calculated following the receipt of the first-level university degree recognized by the United Nations. Experience in dealing with international organizations and national governments as well as extensive knowledge of UN and UNEP policy and decision-making structure is desirable.

Languages

English and French are the working languages of the United Nations Secretariat. For the post advertised, fluency in oral and written English is required. Working knowledge of another UN languages is an advantage.

Assessment Method

Evaluation of qualified candidates for this position may include substantive assessment which may be followed by a competency-based interview.

Special Notice

This position is open for recruitment for an initial period of one year and may be subject to extension. Staff members are subject to the authority of the Secretary-General and to assignment by him or her. In this context, all staff are expected to move periodically to new functions in their careers in accordance with established rules and procedures.

The United Nations Secretariat is committed to achieving 50/50 gender balance in its staff. Female candidates are strongly encouraged to apply for this position.

Internal Applicants – when completing the PHP, ensure ALL fields, ALL professional experience and contact information are completed and up to date. This information is the basis for the hiring manager to assess your eligibility and suitability for the position and to contact you.

Individual contractors and consultants who have worked within the UN Secretariat in the last six months, irrespective of the administering entity, are ineligible to apply for professional and higher temporary or fixed-term positions and their applications will not be considered.

All applicants are strongly encouraged to apply on-line as soon as possible after the job opening has been posted and well before the deadline stated in the job opening. On-line applications will be acknowledged where an email address has been provided.

If you do not receive an e-mail acknowledgement within 24 hours of submission, your application may not have been received. In such cases, please resubmit the application, if necessary. If the problem persists, please seek technical assistance through the Inspira “Need Help?” link.

United Nations Considerations

According to article 101, paragraph 3, of the Charter of the United Nations, the paramount consideration in the employment of the staff is the necessity of securing the highest standards of efficiency, competence, and integrity. Candidates will not be considered for employment with the United Nations if they have committed violations of international human rights law, violations of international humanitarian law, sexual exploitation, sexual abuse, or sexual harassment, or if there are reasonable grounds to believe that they have been involved in the commission of any of these acts. The term "sexual exploitation" means any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another. The term "sexual abuse" means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions. The term "sexual harassment" means any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offence or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment, and when the gravity of the conduct warrants the termination of the perpetrator's working relationship. Candidates who have committed crimes other than minor traffic offences may not be considered for employment.

Due regard will be paid to the importance of recruiting the staff on as wide a geographical basis as possible. The United Nations places no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in its principal and subsidiary organs. The United Nations Secretariat is a non-smoking environment.

Applicants are urged to follow carefully all instructions available in the online recruitment platform, Inspira. For more detailed guidance, applicants may refer to the Manual for the Applicant, which can be accessed by clicking on "Manuals" hyper-link on the upper right side of the Inspira account-holder homepage.

The evaluation of applicants will be conducted on the basis of the information submitted in the application according to the evaluation criteria of the job opening and the applicable internal legislations of the United Nations including the Charter of the United Nations, resolutions of the General Assembly, the Staff Regulations and Rules, administrative issuances and guidelines. Applicants must provide complete and accurate information pertaining to their personal profile and qualifications according to the instructions provided in Inspira to be considered for the current job opening. No amendment, addition, deletion, revision or modification shall be made to applications that have been submitted. Candidates under serious consideration for selection will be subject to reference checks to verify the information provided in the application.

Job openings advertised on the Careers Portal will be removed at 11:59 p.m. (New York time) on the deadline date.

No Fee

THE UNITED NATIONS DOES NOT CHARGE A FEE AT ANY STAGE OF THE RECRUITMENT PROCESS (APPLICATION, INTERVIEW MEETING, PROCESSING, OR TRAINING). THE UNITED NATIONS DOES NOT CONCERN ITSELF WITH INFORMATION ON APPLICANTS' BANK ACCOUNTS.

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

TABLE 1 : STATUS OF THE FUND FROM 1991-2020 (IN US DOLLARS)

As at 30/10/2020

INCOME		
Contributions received:		
- Cash payments including note encashments		3,815,611,937
- Promissory notes held		0
- Bilateral cooperation		174,480,940
- Interest earned *		238,274,864
- Additional income from loans and other sources		0
- Miscellaneous income		21,841,581
Total Income		4,250,209,322
ALLOCATIONS** AND PROVISIONS		
- UNDP	962,245,160	
- UNEP	359,936,359	
- UNIDO	962,694,392	
- World Bank	1,277,299,993	
Unspecified projects	-	
Less Adjustments	-	
Total allocations to implementing agencies		3,562,175,904
Secretariat and Executive Committee costs (1991-2022)		
- includes provision for staff contracts into 2022		143,648,075
Treasury fees (2003-2022)		10,056,982
Monitoring and Evaluation costs (1999-2020)		3,777,433
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		174,480,940
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		30,221,227
Total allocations and provisions		3,926,165,117
Cash***		324,044,205
Promissory Notes:		
	2020	0
	Unscheduled	0
		-
BALANCE AVAILABLE FOR NEW ALLOCATIONS		324,044,205

* Includes interest amount US \$1,356,199 earned by FECO/MEP/(China).

** Amounts reflect net approvals for which resources are transferred to Implementing Agencies. The Secretariat budget reflects actual costs as per the final 2018 accounts of the Fund and approved amounts for 2019 - 2022.

*** US \$4,296,185 is excess of return over allocation for the World Bank to be offset from the intersessional approval process established for 86th meeting and beyond.

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

TABLE 2 : 1991 - 2020 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME (US\$)

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 30/10/2020

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	1991-2020
Pledged contributions	235,029,241	424,841,347	472,567,009	440,000,001	474,000,001	368,028,480	399,640,706	396,815,725	436,198,530	497,448,199	4,144,569,240
Cash payments/received	206,611,034	381,555,255	418,560,776	406,691,739	420,886,941	339,230,114	376,672,425	377,461,743	414,661,000	473,280,910	3,815,611,937
Bilateral assistance	4,366,255	11,909,814	21,242,271	22,591,332	44,683,341	19,667,208	14,157,286	11,522,964	14,171,114	10,169,355	174,480,940
Promissory notes	0	-	-	-	0	(0)	0	(0)	0	0	0
Total payments	210,977,289	393,465,069	439,803,048	429,283,071	465,570,282	358,897,322	390,829,712	388,984,707	428,832,114	483,450,264	3,990,092,877
Disputed contributions	0	8,098,267	0	0	0	32,471,642	405,792	3,477,910	1,301,470	2,551,799	48,306,880
Outstanding pledges	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	7,831,018	7,366,416	13,997,935	154,476,362
Payments %age to pledges	89.77%	92.61%	93.07%	97.56%	98.22%	97.52%	97.80%	98.03%	98.31%	97.19%	96.27%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	43,537,814	10,544,631	6,615,053	8,836,637	16,884,786	238,274,864
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	3,377,184	3,547,653	5,804,410	1,782,834	854,973	21,841,581
TOTAL INCOME	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	405,812,320	404,921,996	401,404,170	439,451,585	501,190,024	4,250,209,322
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	1991-2020
Total pledges	235,029,241	424,841,347	472,567,009	440,000,001	474,000,001	368,028,480	399,640,706	396,815,725	436,198,530	497,448,199	4,144,569,240
Total payments	210,977,289	393,465,069	439,803,048	429,283,071	465,570,282	358,897,322	390,829,712	388,984,707	428,832,114	483,450,264	3,990,092,877
Payments %age to pledges	89.77%	92.61%	93.07%	97.56%	98.22%	97.52%	97.80%	98.03%	98.31%	97.19%	96.27%
Total income	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	405,812,320	404,921,996	401,404,170	439,451,585	501,190,024	4,250,209,322
Total outstanding contributions	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	7,831,018	7,366,416	13,997,935	154,476,362
As % to total pledges	10.23%	7.39%	6.93%	2.44%	1.78%	2.48%	2.20%	1.97%	1.69%	2.81%	3.73%
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	3,929,335	127,712,979
CEITs' outstandings %age to pledges	10.23%	7.39%	6.93%	2.23%	1.58%	1.61%	1.55%	1.26%	0.26%		3.08%

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 : 1991-2020 Summary Status of Contributions (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Andorra	164,488	164,488	0	0	0	0
Australia*	93,993,098	92,382,190	1,610,907	0	0	3,744,079
Austria	44,445,051	44,313,261	131,790	0	0	292,517
Azerbaijan	1,666,395	311,683	0	0	1,354,712	0
Belarus	3,834,988	685,682	0	0	3,149,306	0
Belgium	55,181,048	55,181,049	0	0	-0	2,307,848
Bulgaria	2,068,810	2,068,810	0	0	0	0
Canada*	155,851,704	145,044,371	10,807,333	0	0	-396,250
Croatia	1,677,155	1,677,155	0	0	-0	158,056
Cyprus	1,402,528	1,402,528	0	0	0	55,419
Czech Republic	14,785,475	14,508,542	276,933	0	0	726,085
Denmark	36,630,061	36,469,008	161,053	0	0	61,023
Estonia	1,004,990	1,004,990	0	0	0	55,232
Finland	28,626,776	28,227,618	399,158	0	0	-67,132
France	317,054,514	300,154,823	16,899,691	0	0	-5,055,719
Germany	445,874,691	370,142,597	73,009,678	-0	2,722,417	7,029,524
Greece	26,432,727	16,652,913	0	0	9,779,814	-1,340,447
Holy See	18,666	18,666	0	0	0	0
Hungary	9,624,231	9,577,737	46,494	0	0	-76,259
Iceland	1,659,567	1,659,567	0	0	0	51,218
Ireland	17,017,630	17,017,630	0	0	0	927,058
Israel	19,179,221	3,824,671	70,453	0	15,284,097	0
Italy	249,371,526	230,566,795	18,804,731	0	0	7,500,611
Japan	758,606,808	739,128,835	19,257,760	0	220,213	0
Kazakhstan	2,306,516	2,306,516	0	0	-0	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	1,336,831	1,336,830	0	0	0	-2,483
Liechtenstein	427,333	427,333	0	0	0	0
Lithuania	2,057,463	1,564,494	0	0	492,968	0
Luxembourg	3,921,317	3,921,317	0	0	0	15,647
Malta	485,539	332,205	0	0	153,334	15,485
Monaco	351,239	351,239	0	0	0	-572
Netherlands	87,730,952	87,730,951	0	0	0	-0
New Zealand	13,066,581	13,066,580	0	0	0	511,866
Norway	37,571,342	37,571,341	0	0	0	2,020,927
Panama	16,915	16,915	0	0	0	0
Poland	26,125,545	26,012,545	113,000	0	0	1,129,253
Portugal	21,365,524	21,317,591	47,935	0	-1	198,973
Romania	4,104,470	4,104,460	0	0	10	0
Russian Federation	151,376,735	42,911,441	666,676	0	107,798,618	6,576,265
San Marino	67,731	67,731	0	0	0	3,429
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	5,387,403	5,370,881	16,523	0	-0	207,776
Slovenia	3,172,277	2,960,610	0	0	211,667	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	136,951,449	130,512,348	6,439,101	0	0	2,921,016
Sweden	56,131,797	52,148,136	1,574,328	0	2,409,333	920,904
Switzerland	61,872,733	59,959,502	1,913,230	0	1	-1,847,293
Tajikistan	164,899	49,086	0	0	115,813	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	11,040,359	1,303,750	0	0	9,736,609	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	288,936,881	288,371,881	565,000	0	-0	1,577,170
United States of America	935,956,340	914,389,150	21,567,191	0	-1	0
Uzbekistan	1,006,574	246,606	0	0	759,968	0
SUB-TOTAL	4,144,569,240	3,815,611,937	174,480,940	-0	154,476,362	30,221,227
Disputed Contributions***	48,306,880	0	0	0	48,306,880	
TOTAL	4,192,876,120	3,815,611,937	174,480,940	0	202,783,243	

NB: (*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39th meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40th 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 2018-2020 (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	45,501	45,501	0	0	0
Australia	17,669,001	17,669,001	0	0	0
Austria	5,443,500	5,443,500	0	0	0
Azerbaijan	453,501	0	0	0	453,501
Belarus	423,501	359,334	0	0	64,167
Belgium	6,690,999	6,690,999	0	0	0
Bulgaria	339,999	339,999	0	0	0
Canada	22,083,999	21,029,237	1,054,762	0	-0
Croatia	748,500	748,500	0	0	0
Cyprus	324,999	324,999	0	0	0
Czech Republic	2,601,000	2,601,000	0	0	0
Denmark	4,415,499	4,415,499	0	0	0
Estonia	287,499	287,499	0	0	0
Finland	3,447,501	3,447,501	0	0	0
France	36,736,500	36,596,945	139,555	0	0
Germany	48,303,999	38,952,612	6,569,848	0	2,781,540
Greece	3,561,000	0	0	0	3,561,000
Holy See	7,500	7,500	0	0	0
Hungary	1,217,001	1,217,001	0	0	0
Iceland	174,000	174,000	0	0	0
Ireland	2,532,999	2,532,999	0	0	0
Israel	3,251,001	0	0	0	3,251,001
Italy	28,336,500	27,399,738	936,762	0	0
Japan	71,890,118	71,394,205	275,697	0	220,216
Kazakhstan	1,443,999	1,443,999	0	0	0
Latvia	378,000	378,000	0	0	0
Liechtenstein	53,001	53,001	0	0	0
Lithuania	544,500	544,500	0	0	0
Luxembourg	483,999	483,999	0	0	0
Malta	120,999	0	0	0	120,999
Monaco	75,501	75,501	0	0	0
Netherlands	11,204,499	11,204,499	0	0	0
New Zealand	2,025,999	2,025,999	0	0	0
Norway	6,419,001	6,419,001	0	0	0
Poland	6,358,500	6,358,500	0	0	0
Portugal	2,963,499	2,963,499	0	0	0
Romania	1,391,001	1,390,991	0	0	10
Russian Federation	23,346,999	23,346,999	0	0	0
San Marino	22,500	22,500	0	0	0
Slovak Republic	1,209,501	1,209,501	0	0	0
Slovenia	635,001	423,334	0	0	211,667
Spain	18,470,499	17,277,768	1,192,731	0	0
Sweden	7,227,999	4,818,666	0	0	2,409,333
Switzerland	8,619,000	8,619,000	0	0	0
Tajikistan	30,000	0	0	0	30,000
Ukraine	778,500	0	0	0	778,500
United Kingdom	33,742,500	33,742,500	0	0	0
United States of America	108,743,585	108,743,585	0	0	0
Uzbekistan	174,000	58,000	0	0	116,000
TOTAL	497,448,199	473,280,910	10,169,355	0	13,997,935
Disputed Contributions(*)	2,551,799	0	0	0	2,551,799
TOTAL	499,999,998	473,280,910	10,169,355	0	16,549,734

(*)Additional amount on disputed contribution relating to Japan (US \$1,295,383) and the United States of America (US \$1,256,416)

CEITs	39,843,501	35,914,166	0	0	3,929,335
-------	------------	------------	---	---	-----------

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

TABLE 5 : Status of Contributions for 2020 (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andora	15,167	15,167			0
Australia	5,889,667	5,889,667			0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	141,167			0
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	6,936,571	424,762		0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,218,945	26,555		0
Germany	16,101,333	12,913,708	101,135		3,086,490
Greece	1,187,000				1,187,000
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	9,445,500			0
Japan	24,395,167	24,174,951			220,216
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333				40,333
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,667			0
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667				211,667
Spain	6,156,833	6,156,833			0
Sweden	2,409,333				2,409,333
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	36,653,423	36,653,423			0
Uzbekistan	58,000				58,000
TOTAL	166,653,422	157,383,597	552,452	0	8,717,373
Disputed Contributions(*)	13,244				13,244
TOTAL	166,666,666	157,383,597	552,452	0	8,730,617

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

CEITs	13,281,167	11,832,333	0	0	1,448,834
-------	------------	------------	---	---	-----------

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

TABLE 6 : Status of Contributions for 2019 (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,889,667			0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	141,167			0
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	7,031,333	330,000		0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,245,500			0
Germany	16,101,333	15,005,907	1,400,376		-304,950
Greece	1,187,000				1,187,000
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	8,880,500	565,000		0
Japan	24,395,167	24,209,870	185,297		0
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333				40,333
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,657			10
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667	211,667			0
Spain	6,156,833	6,156,833			0
Sweden	2,409,333	2,409,333			0
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	35,614,904	35,614,904			0
Uzbekistan	58,000	58,000			0
TOTAL	165,614,903	160,707,503	2,480,673	0	2,426,727
Disputed Contributions(*)	1,051,763				1,051,763
TOTAL	166,666,666	160,707,503	2,480,673	0	3,478,490

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

CEITs	13,281,167	12,102,000	0	0	1,179,167
-------	------------	------------	---	---	-----------

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

TABLE 7 : Status of Contributions for **2018** (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,889,667			0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	77,000			64,167
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	7,061,333	300,000		-0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,132,500	113,000		0
Germany	16,101,333	11,032,996	5,068,337		0
Greece	1,187,000				1,187,000
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	9,073,738	371,762		0
Japan	23,099,784	23,009,384	90,400		0
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333				40,333
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,667			0
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667	211,667			0
Spain	6,156,833	4,964,102	1,192,731		0
Sweden	2,409,333	2,409,333			0
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	36,475,258	36,475,258			0
Uzbekistan	58,000				58,000
TOTAL	165,179,874	155,189,810	7,136,230	0	2,853,834
Disputed Contributions(*)	1,486,792				1,486,792
TOTAL	166,666,666	155,189,810	7,136,230	0	4,340,626

(*) Additional amount on disputed contribution relating to Japan (US \$1,295,383) and the United States of America (US \$191,409)

CIEITs	13,281,167	11,979,833	0	0	1,301,334
--------	------------	------------	---	---	-----------

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

TABLE 8 : Status of Contributions for 2015-2017 (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	48,504	48,504	0	0	0
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	226,348	0	0	113,174
Belgium	6,050,769	6,050,769	0	0	0
Bulgaria	284,955	284,955	0	0	0
Canada	18,091,677	18,091,677	0	0	0
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	32,748,542	1,161,226	0	-0
Germany	43,295,127	34,537,016	8,758,111	-0	-0
Greece	3,868,128	0	0	0	3,868,128
Holy See	6,063	6,063	0	0	0
Hungary	1,612,731	1,612,731	0	0	0
Iceland	163,698	163,698	0	0	0
Ireland	2,534,289	2,534,289	0	0	0
Israel	2,400,906	0	0	0	2,400,906
Italy	26,967,753	24,877,303	2,090,450	0	0
Japan	65,679,333	65,359,260	320,073	0	0
Kazakhstan	733,611	733,611	0	0	0
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	5,159,523	0	0	0
Poland	5,583,927	5,583,927	0	0	-0
Portugal	2,873,811	2,873,811	0	0	0
Romania	1,370,214	1,370,214	0	0	0
Russian Federation	14,781,336	14,114,660	666,676	0	-0
San Marino	18,189	18,189	0	0	0
Slovak Republic	1,036,755	1,036,755	0	0	-0
Slovenia	606,288	606,288	0	0	0
Spain	18,024,984	16,850,406	1,174,578	0	0
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	94,948,529	0	0	-0
Uzbekistan	90,942	0	0	0	90,942
TOTAL	436,198,530	414,661,000	14,171,114	-0	7,366,416
Disputed Contributions(*)	1,301,470	0	0	0	1,301,470
TOTAL	437,500,000	414,661,000	14,171,114	-0	8,667,886

(*) 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 2017 (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481			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			0
Bulgaria	94,985	94,985			0
Canada	6,030,559	6,030,559			0
Croatia	254,642	254,642			0
Cyprus	94,985	94,985			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	10,472,252	831,004		0
Germany	14,431,709	12,410,403	2,021,306	-0	-0
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577	537,577			0
Iceland	54,566	54,566			0
Ireland	844,763	844,763			0
Israel	800,302				800,302
Italy	8,989,251	8,706,751	282,500		0
Japan	21,893,111	21,893,111			0
Kazakhstan	244,537	244,537			0
Latvia	94,985	94,985			0
Liechtenstein	18,189	18,189			0
Lithuania	147,530	147,530			0
Luxembourg	163,698	163,698			0
Malta	32,335				32,335
Monaco	24,252	24,252			0
Netherlands	3,342,676	3,342,676			0
New Zealand	511,304	511,304			0
Norway	1,719,841	1,719,841			0
Poland	1,861,309	1,861,309			0
Portugal	957,937	957,937			0
Romania	456,738	456,738			0
Russian Federation	4,927,112	4,927,112			0
San Marino	6,063	6,063			0
Slovak Republic	345,585	345,585			0
Slovenia	202,096	202,096			0
Spain	6,008,328	6,008,328			0
Sweden	1,940,126	1,940,126			0
Switzerland	2,115,950	2,115,950			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576			0
United States of America	32,083,333	32,083,333			0
Uzbekistan	30,314				30,314
TOTAL	145,833,333	140,259,219	3,134,810	-0	2,439,305

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

TABLE 10 : Status of Contributions for 2016 (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481			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			0
Bulgaria	94,985	94,985			0
Canada	6,030,559	6,030,559			0
Croatia	254,642	254,642			0
Cyprus	94,985	94,985			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	284,457		-0
Germany	14,431,709	12,431,833	1,999,876	-0	-0
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577	537,577			0
Iceland	54,566	54,566			0
Ireland	844,763	844,763			0
Israel	800,302				800,302
Italy	8,989,251	7,463,801	1,525,450		0
Japan	21,893,111	21,753,838	139,273		0
Kazakhstan	244,537	244,537			0
Latvia	94,985	94,985			0
Liechtenstein	18,189	18,189			0
Lithuania	147,530	147,530			0
Luxembourg	163,698	163,698			0
Malta	32,335	32,335			0
Monaco	24,252	24,252			0
Netherlands	3,342,676	3,342,676			0
New Zealand	511,304	511,304			0
Norway	1,719,841	1,719,841			0
Poland	1,861,309	1,861,309			0
Portugal	957,937	957,937			0
Romania	456,738	456,738			0
Russian Federation	4,927,112	4,260,436	666,676		0
San Marino	6,063	6,063			0
Slovak Republic	345,585	345,585			0
Slovenia	202,096	202,096			0
Spain	6,008,328	4,833,750	1,174,578		-0
Sweden	1,940,126	1,940,126			0
Switzerland	2,115,950	2,115,950			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576			0
United States of America	31,233,927	31,233,927			0
Uzbekistan	30,314				30,314
TOTAL	144,983,927	136,786,648	5,790,310	-0	2,406,970
Disputed Contributions(*)	849,406				849,406
TOTAL	145,833,333	136,786,648	5,790,310	-0	3,256,376

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

TABLE 11 : Status of Contributions for 2015 (US\$)

As at 30/10/2020

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481			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			0
Bulgaria	94,985	94,985			0
Canada	6,030,559	6,030,559			0
Croatia	254,642	254,642			-0
Cyprus	94,985	94,985			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	11,257,491	45,765		0
Germany	14,431,709	9,694,780	4,736,929		-0
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577	537,577			0
Iceland	54,566	54,566			0
Ireland	844,763	844,763			0
Israel	800,302				800,302
Italy	8,989,251	8,706,751	282,500		0
Japan	21,893,111	21,712,311	180,800		0
Kazakhstan	244,537	244,537			0
Latvia	94,985	94,985			0
Liechtenstein	18,189	18,189			0
Lithuania	147,530	147,530			0
Luxembourg	163,698	163,698			0
Malta	32,335	32,335			0
Monaco	24,252	24,252			0
Netherlands	3,342,676	3,342,676			0
New Zealand	511,304	511,304			0
Norway	1,719,841	1,719,841			0
Poland	1,861,309	1,861,309			-0
Portugal	957,937	957,937			0
Romania	456,738	456,738			0
Russian Federation	4,927,112	4,927,112			-0
San Marino	6,063	6,063			0
Slovak Republic	345,585	345,585			-0
Slovenia	202,096	202,096			0
Spain	6,008,328	6,008,328			0
Sweden	1,940,126	1,940,126			0
Switzerland	2,115,950	2,115,950			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576			0
United States of America	31,631,269	31,631,269			-0
Uzbekistan	30,314				30,314
TOTAL	145,381,269	137,615,134	5,245,994		2,520,142
Disputed Contributions(*)	452,064				452,064
TOTAL	145,833,333	137,615,134	5,245,994		2,972,206

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

As at 30/10/2020

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	30,502,388	742,006	0	0
Germany	40,914,185	33,374,301	7,539,884	0	0
Greece	3,526,029	1,175,343	0	0	2,350,686
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	62,395,788	1,542,194	0	0
Kazakhstan	128,906	128,906	0	0	0
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	2,607,528	0	0	-1
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	15,320,620	890,950	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
TOTAL	396,815,725	377,461,743	11,522,964	0	7,831,018
Disputed Contributions(*)	3,477,910				3,477,910
TOTAL	400,293,635	377,461,743	11,522,964	0	11,308,928

(*) 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 2014 (US\$)

As at 30/10/2020

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	10,037,699	377,099		(0)
Germany	13,638,062	7,736,568	407,151	-0	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	21,193,445	119,215		0
Kazakhstan	128,906	128,906			(0)
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			(0)
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
TOTAL	132,912,645	123,680,861	1,643,596	(0)	7,588,188
Disputed Contributions(*)	714,323				714,323
TOTAL	133,626,968	123,680,861	1,643,596	0	8,302,512

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

Annex III

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

Country/project code	Agency	Project title	Actions
Zimbabwe ZIM/REF/82/INV/56	France	Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare)	To request France to report to the 87 th meeting on this project with implementation delays
Mexico MEX/PHA/74/INV/172	Germany	HCFC phase-out management plan (stage II, first tranche) (HC demonstration and training)	To request Germany to report to the 87 th meeting on this project with implementation delays
Mexico MEX/PHA/77/INV/179	Germany	HCFC phase-out management plan (stage II, second tranche) (HC demonstration and training)	To request Germany to report to the 87 th meeting on this project with implementation delays
Namibia NAM/PHA/71/INV/19	Germany	HCFC phase-out management plan (second tranche)	To request Germany to report to the 87 th meeting on this project with implementation delays
Papua New Guinea PNG/PHA/71/INV/12	Germany	HCFC phase-out management plan (second tranche)	To request Germany to report to the 87 th meeting on this project with implementation delays
Seychelles SEY/PHA/70/INV/19	Germany	HCFC phase-out management plan (second tranche)	To request Germany to report to the 87 th meeting on this project with implementation delays
Seychelles SEY/PHA/75/INV/23	Germany	HCFC phase-out management plan (stage I, third tranche)	To request Germany to report to the 87 th meeting on this project with implementation delays
Argentina ARG/PHA/79/INV/178	Italy	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	To request Italy to report to the 87 th meeting on this project with implementation delays
China CPR/PHA/77/INV/574	Italy	HCFC phase-out management plan (stage II, first tranche) (room air-conditioner manufacturing sector plan)	To request Italy to report to the 87 th meeting on this project with implementation delays
Maldives MDV/SEV/80/TAS/02+	Italy	Enabling activities for HFC phase-down	To request Italy to report to the 87 th meeting on this project with implementation delays
Mexico MEX/PHA/73/INV/171	Italy	HCFC phase-out management plan (stage II, first tranche) (reclamation of HCFC refrigerants)	To request Italy to report to the 87 th meeting on this project with implementation delays
Rwanda RWA/SEV/80/TAS/01+	Italy	Enabling activities for HFC phase-down	To request Italy to report to the 87 th meeting on this project with implementation delays
Viet Nam VIE/PHA/76/TAS/71	Japan	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	To request Japan to report to the 87 th meeting on this project with implementation delays
Mexico MEX/PHA/81/TAS/190	Spain	HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	To request Spain to report to the 87 th meeting on this project with implementation delays

Annex IV

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

Country/project code	Project title	Actions
Bangladesh BGD/PHA/81/INV/51	HCFC phase-out management plan (stage II, first tranche) (air-conditioning sector)	To request a status report to the 87 th meeting on the level of funds disbursement
Bangladesh BGD/PHA/81/TAS/49	HCFC phase-out management plan (stage II, first tranche) (project management unit)	
Colombia COL/PHA/75/INV/98	HCFC phase-out management plan (stage II, first tranche) (foam sector)	To request UNDP to report to the 87 th meeting on this project with implementation delays
Democratic Republic of the Congo (the) DRC/PHA/79/PRP/42	Preparation of a HCFC phase-out management plan (stage II)	To request a status report to the 87 th meeting on the status of submission of stage II
Haiti HAI/PHA/76/INV/22	HCFC phase-out management plan (stage I, second tranche)	To request a status report to the 87 th meeting on progress in implementation and the level of funds disbursement
Indonesia IDS/PHA/71/TAS/200	HCFC phase-out management plan (project management and coordination) (stage I, second tranche)	To request UNDP to report to the 87 th meeting on this project with implementation delays
Indonesia IDS/PHA/76/INV/208	HCFC phase-out management plan (stage I, third tranche) (refrigeration and air-conditioning sector)	To request UNDP to report to the 87 th meeting on this project with implementation delays
Indonesia IDS/PHA/76/INV/211	HCFC phase-out management plan (stage II, first tranche) (fire fighting sector)	To request UNDP to report to the 87 th meeting on this project with implementation delays
Mauritania MAU/PHA/80/INV/25	HCFC phase-out management plan (stage I, first tranche)	To request UNDP to report to the 87 th meeting on this project with implementation delays

Annex V

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

Country/project code	Project title	Actions
Algeria ALG/SEV/73/INS/81	Extension of the institutional strengthening project (phase VI: 12/2014-11/2016)	To request a status report to the 87 th meeting on the level of funds disbursement and on implementation progress
Antigua and Barbuda ANT/SEV/73/INS/16	Extension of institutional strengthening project (phase V: 1/2015-12/2016)	To request a status report to the 87 th meeting on the submission of the progress and financial report and on the level of funds disbursement
Antigua and Barbuda ANT/PHA/73/PRP/17	Preparation of a HCFC phase-out management plan (stage II)	To request a status report to the 87 th meeting on the submission of stage II
Bahamas (the) BHA/PHA/80/TAS/26	HCFC phase-out management plan (stage I, third tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Bahamas (the) BHA/PHA/82/TAS/27	Verification report on the implementation of the HCFC phase-out management plan	To request a status report to the 87 th meeting on the preparation of the verification report and on the submission of the fourth tranche
Barbados BAR/PHA/80/TAS/26	HCFC phase-out management plan (stage I, second tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Botswana BOT/SEV/76/INS/19	Extension of institutional strengthening project (phase V: 6/2016-7/2018)	To request a status report to the 87 th meeting on the signing of the small-scale funding agreement (SSFA)
Central African Republic (the) CAF/SEV/68/INS/23	Extension of the institutional strengthening project (phase VI: 1/2013-12/2014)	To request a status report to the 87 th meeting on the level of funds disbursement and on implementation progress
Chile CHI/PHA/76/TAS/191	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	To request a status report to the 87 th meeting on implementation progress
Colombia COL/PHA/75/TAS/93	HCFC phase-out management plan (stage II, first tranche) (technical assistance in policies formulation and implementation)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Colombia COL/PHA/81/TAS/105	HCFC phase-out management plan (stage II, second tranche) (technical assistance in policies formulation and implementation)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Congo (the) PRC/PHA/76/TAS/30	HCFC phase-out management plan (stage I, third tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Democratic Republic of the Congo (the) DRC/PHA/79/PRP/43	Preparation of a HCFC phase-out management plan (stage II)	To request a status report to the 87 th meeting on the submission of stage II
Democratic Republic of the Congo (the) DRC/PHA/80/TAS/44	HCFC phase-out management plan (stage I, third tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Dominica DMI/PHA/62/TAS/19	HCFC phase-out management plan (stage I, first tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Dominica DMI/SEV/80/INS/23	Additional emergency assistance for institutional strengthening	To request a status report to the 87 th meeting on the signing of the SSFA and on the level of funds disbursement
Dominica DMI/SEV/80/TAS/01+	Enabling activities for HFC phase-down	To request UNEP to report to the 87 th meeting on this project with implementation delays

Country/project code	Project title	Actions
Dominica DMI/SEV/81/INS/24	Extension of the institutional strengthening project (phase VII: 6/2018-5/2020)	To request a status report to the 87 th meeting on the signing of the SSFA and on the level of funds disbursement
Egypt EGY/PHA/79/TAS/131	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Grenada GRN/PHA/77/TAS/22	HCFC phase-out management plan (stage I, second tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Grenada GRN/PHA/82/PRP/25	Preparation of a HCFC phase-out management plan (stage II)	To request a status report to the 87 th meeting on the submission of stage II
Grenada GRN/PHA/82/TAS/26	Verification report on the implementation of the HCFC phase-out management plan	To request a status report to the 87 th meeting on the preparation of the verification report
Haiti HAI/PHA/76/TAS/21	HCFC phase-out management plan (stage I, second tranche)	(i) To request UNEP to report to the 87 th meeting on this project with implementation delays; (ii) To request a status report to the 87 th meeting on the submission of financial reports
Haiti HAI/SEV/75/INS/20	Extension of the institutional strengthening project (phase IV: 11/2015-10/2017)	To request a status report to the 87 th meeting on the submission of progress and financial report
Iraq IRQ/PHA/73/PRP/21	Preparation of a HCFC phase-out management plan (stage II)	To request a status report to the 87 th meeting on the submission of stage II
Iraq IRQ/PHA/74/TAS/22	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Kuwait KUW/PHA/66/TAS/19	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector and monitoring and verification)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Kuwait KUW/PHA/74/TAS/23	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector and monitoring and verification)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Maldives MDV/PHA/80/TAS/32	HCFC phase-out management plan (stage I, fourth tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Mauritania MAU/PHA/80/TAS/24	HCFC phase-out management plan (stage I, first tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Mexico MEX/PHA/77/TAS/184	HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Pakistan PAK/PHA/76/TAS/93	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Peru PER/PHA/80/TAS/54	HCFC phase-out management plan (stage II, first tranche)	To request a status report to the 87 th meeting on the level of funds disbursement
Peru PER/SEV/80/INS/56	Renewal of institutional strengthening project (phase V: 1/2018-12/2019)	To request a status report to the 87 th meeting on the level of funds disbursement and on the signing of the SSFA
Saint Kitts and Nevis STK/PHA/74/TAS/20	HCFC phase-out management plan (stage I, second tranche)	(i) To request UNEP to report to the 87 th meeting on this project with implementation delays; (ii) To request a status report to the 87 th meeting on the submission of the financial report

Country/project code	Project title	Actions
Saint Lucia STL/SEV/80/TAS/01+	Enabling activities for HFC phase-down	To request UNEP to report to the 87 th meeting on this project with implementation delays
Saint Vincent and the Grenadines STV/SEV/80/TAS/01+	Enabling activities for HFC phase-down	(i) To request UNEP to report to the 87 th meeting on this project with implementation delays (ii) To request a status report to the 87 th meeting on the signing of the SSFA
South Sudan SSD/PHA/77/TAS/04	HCFC phase-out management plan (stage I, first tranche)	(i) To request UNEP to report to the 87 th meeting on this project with implementation delays; (ii) To request a status report to the 87 th meeting on the level of funds disbursement and on the signing of the SSFA
South Sudan SSD/SEV/76/INS/03	Institutional strengthening project (phase I: 5/2016-4/2018)	To request a status report to the 87 th meeting on the level of funds disbursement and on the signing of the SSFA
South Sudan SSD/SEV/81/TAS/01+	Enabling activities for HFC phase-down	To request a status report to the 87 th meeting on implementation progress
Suriname SUR/PHA/74/TAS/22	HCFC phase-out management plan (stage I, second tranche)	To request UNEP to report to the 87 th meeting on this project with implementation delays
Suriname SUR/SEV/80/TAS/01+	Enabling activities for HFC phase-down	To request UNEP to report to the 87 th meeting on this project with implementation delays
Syrian Arab Republic SYR/SEV/83/TAS/01+	Enabling activities for HFC phase-down	To request a status report to the 87 th meeting on implementation progress and on the level of funds disbursement
Tunisia TUN/PHA/76/TAS/69	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	To request UNEP to report to the 87 th meeting on this project with implementation delays
United Republic of Tanzania (the) URT/SEV/83/INS/39	Extension of the institutional strengthening project (phase VII: 7/2019-6/2021)	To request a status report to the 87 th meeting on the level of funds disbursement and on the signing of the SSFA
Yemen YEM/SEV/73/INS/43	Extension of the institutional strengthening project (phase VIII: 1/2015-12/2016)	To request a status report to the 87 th meeting on implementation progress

Annex VI

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

Country/project code	Project title	Actions
Algeria ALG/PHA/66/INV/76	HCFC phase-out management plan (stage I, first tranche) (conversion from HCFC-22 in the manufacture of room air conditioners at Condor)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Algeria ALG/PHA/66/INV/77	HCFC phase-out management plan (stage I, first tranche) (activities in the refrigeration servicing sector including phase-out of HCFC-141b used for flushing, and project monitoring)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Argentina ARG/PHA/74/INV/174	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Argentina ARG/PHA/80/INV/184	HCFC phase-out management plan (stage II, first tranche) (foam sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Bahamas (the) BHA/PHA/80/INV/25	HCFC phase-out management plan (stage I, third tranche)	(i) To request UNIDO to report to the 87 th meeting on this project with implementation delays; (ii) To request a status report to the 87 th meeting on the implementation progress and on the level of funds disbursement
Bosnia and Herzegovina BHE/PHA/72/INV/29	HCFC phase-out management plan (stage I, second tranche) (activities in the refrigeration servicing sector including policy actions)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Bosnia and Herzegovina BHE/PHA/76/INV/33	HCFC phase-out management plan (stage I, third tranche) (activities in the refrigeration servicing sector including policy actions)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Burundi BDI/PHA/81/INV/37	HCFC phase-out management plan (stage I, third tranche)	To request a status report to the 87 th meeting on the level of funds disbursement
Cameroon CMR/PHA/82/INV/45	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
China CPR/PHA/64/INV/513	HCFC phase-out management plan (room air-conditioner manufacturing sector plan) (stage I, first tranche)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
China CPR/PHA/68/INV/524	HCFC phase-out management plan (stage I, second tranche) (room air-conditioner manufacturing sector plan)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
China CPR/PHA/71/INV/536	HCFC phase-out management plan (stage I, third tranche) (room air-conditioner manufacturing sector plan)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
China CPR/PHA/73/INV/548	HCFC phase-out management plan (stage I, fourth tranche) (room air-conditioner manufacturing sector plan)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
China CPR/PHA/75/INV/564	HCFC phase-out management plan (stage I, fifth tranche) (room air-conditioner manufacturing sector plan)	To request UNIDO to report to the 87 th meeting on this project with implementation delays

Country/project code	Project title	Actions
China CPR/PRO/73/INV/552	Sector plan for methyl bromide production sector (fourth tranche)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Cote d'Ivoire IVC/PHA/66/INV/36	HCFC phase-out management plan (stage I, first tranche)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Democratic People's Republic of Korea (the) DRK/PHA/73/INV/59	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)	(i) To request UNIDO to report to the 87 th meeting on these projects with implementation delays; (ii) To request a status report to the 87 th meeting on implementation progress including updates on the resumption of activities
Democratic People's Republic of Korea (the) DRK/PHA/73/TAS/60	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing and monitoring)	
Democratic People's Republic of Korea (the) DRK/PHA/75/INV/62	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)	
Democratic People's Republic of Korea (the) DRK/PHA/77/INV/64	HCFC phase-out management plan (stage I, third tranche) (policy, refrigeration servicing and monitoring)	
Egypt EGY/PHA/79/INV/133	HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Egypt EGY/PHA/82/INV/140	HCFC phase-out management plan (stage I, third tranche) (enabling activities in the refrigeration and air-conditioning sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Eritrea ERI/PHA/84/PRP/18	Preparation of a HCFC phase-out management plan (stage II)	To request a status report to the 87 th meeting on progress in stage II preparation
Gabon GAB/PHA/79/INV/34	HCFC phase-out management plan (stage I, third tranche)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Iraq IRQ/PHA/58/INV/09	National phase-out plan (first tranche)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Iraq IRQ/PHA/73/PRP/19	Preparation of a HCFC phase-out management plan (stage II)	To request a status report to the 87 th meeting on the submission of stage II
Iraq IRQ/REF/73/PRP/20	Preparation for HCFC phase-out investment activities (stage II) (air-conditioning sector)	
Iraq IRQ/PHA/74/INV/23	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Jordan JOR/PHA/77/INV/100	HCFC phase-out management plan (stage II, first tranche) (polyurethane spray foam sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Jordan JOR/PHA/77/INV/101	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Kuwait KUW/PHA/66/INV/21	HCFC phase-out management plan (stage I, first tranche) (extruded polystyrene foam sector phase-out: Gulf Insulating Materials Manufacturing and Trading; Isofoam Insulating Materials Plants; and Al Masaha Company)	To request UNIDO to report to the 87 th meeting on this project with implementation delays

Country/project code	Project title	Actions
Kuwait KUW/PHA/74/INV/24	HCFC phase-out management plan (stage I, second tranche) (polyurethane foam sector phase-out: Kuwait polyurethane Industry Co.; Kirby Building Systems, technical assistance to spray foam users and other small users)	(i) To request UNIDO to report to the 87 th meeting on these projects with implementation delays; (ii) To request a status report to the 87 th meeting on implementation progress and on the level of fund disbursement
Kuwait KUW/PHA/74/INV/25	HCFC phase-out management plan (stage I, second tranche) (extruded polystyrene foam sector phase-out: Gulf Insulating Materials Manufacturing and Trading; Isofoam Insulating Materials Plants; and Al Masaha Company)	
Kuwait KUW/PHA/83/INV/36	HCFC phase-out management plan (stage I, third tranche) (polyurethane foam sector phase-out)	To request a status report to the 87 th meeting on implementation progress and on the level of funds disbursement
Kuwait KUW/PHA/83/TAS/35	HCFC phase-out management plan (stage I, third tranche) (extruded polystyrene foam sector phase-out)	
Kuwait KUW/PHA/83/TAS/37	HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector)	To request a status report to the 87 th meeting on implementation progress and on the level of funds disbursement
Libya LIB/FOA/82/PRP/41	Preparation for HCFC phase-out investment activities (stage II) (foam sector)	To request a status report to the 87 th meeting on the submission of stage II
Libya LIB/PHA/82/PRP/43	Preparation of a HCFC phase-out management plan (stage II)	
Libya LIB/PHA/75/INV/36	HCFC phase-out management plan (stage I, first tranche) (foam sector)	(i) To request UNIDO to report to the 87 th meeting on these projects with implementation delays; (ii) To request a status report to the 87 th meeting on implementation progress
Libya LIB/PHA/75/INV/37	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	
Libya LIB/PHA/82/INV/42	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	
Mexico MEX/PHA/73/INV/173	HCFC phase-out management plan (stage II, first tranche) (phase-out of HCFC-22 and HCFC-141b in solvent)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Mexico MEX/PHA/73/INV/174	HCFC phase-out management plan (stage II, first tranche) (cleaning agent phase-out in refrigeration servicing sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Mexico MEX/PHA/81/INV/189	HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	To request a status report to the 87 th meeting on the signing of the agreement and implementation progress
Morocco MOR/PHA/65/INV/68	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Morocco MOR/PHA/68/INV/69	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Mozambique MOZ/PHA/66/INV/23	HCFC phase-out management plan (stage I, first tranche)	(i) To request UNIDO to report to the 87 th meeting on this project with implementation delays;

Country/project code	Project title	Actions
		(ii) To request a status report to the 87 th meeting on the confirmation of receipt of equipment by the Government
Mozambique MOZ/PHA/83/INV/31	HCFC phase-out management plan (stage I, third and fourth tranches)	To request a status report to the 87 th meeting on the procurement plan with the funds approved for the third and fourth tranches
Pakistan PAK/PHA/76/INV/94	HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Pakistan PAK/PHA/76/TAS/95	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
South Africa SOA/FOA/67/INV/03	HCFC phase-out management plan (stage I, first tranche) (polyurethane foam sector plan)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
South Africa SOA/PHA/67/TAS/04	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing, custom training and monitoring)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
South Africa SOA/PHA/71/INV/06	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing, custom training and monitoring)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
South Africa SOA/PHA/76/INV/10	HCFC phase-out management plan (stage I, third tranche) (polyurethane foam sector plan)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
South Africa SOA/PHA/76/TAS/11	HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing, custom training and monitoring)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Syrian Arab Republic SYR/SEV/73/INS/104	Extension of institutional strengthening (phase V: 1/2015-12/2016)	To request a status report to the 87 th meeting on implementation progress and on the level of funds disbursement
Turkey TUR/PHA/75/INV/107	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing and monitoring)	To request UNIDO to report to the 87 th meeting on this project with implementation delays
Venezuela (Bolivarian Republic of) VEN/PHA/76/INV/134	HCFC phase-out management plan (stage II, first tranche) (technical assistance in refrigeration and air-conditioning manufacturing sector)	(i) To request UNIDO to report to the 87 th meeting on these projects with implementation delays;
Venezuela (Bolivarian Republic of) VEN/PHA/76/TAS/132	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	(ii) To request a status report to the 87 th meeting on implementation progress
Global GLO/REF/80/DEM/344	Global chiller replacement project (Argentina)	To request a status report to the 87 th meeting on implementation progress

Annex VII

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

Country/project code	Project title	Actions
China CPR/PRO/81/INV/593	HCFC production phase-out management plan	To request the World Bank to report to the 87 th meeting on this project with implementation delays
Jordan JOR/PHA/77/INV/99	HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	To request the World Bank to report to the 87 th meeting on this project with implementation delays
Viet Nam VIE/PHA/76/INV/70	HCFC phase-out management plan (stage II, first tranche) (polyurethane rigid foam sector)	To request the World Bank to report to the 87 th meeting on this project with implementation delays

Annex VIII

UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF LIBYA 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 Libya (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 76.95 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
 - (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule

foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

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

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

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (d) Any enterprise to be converted to non-HCFC technology included in the approved HPMP and that would be found to be ineligible under the guidelines of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), will not receive assistance. This information would be reported to the Executive Committee as part of the Annual Implementation Plan; and
- (e) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

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

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

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

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

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

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

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

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

16. This updated Agreement supersedes the Agreement reached between the Government of Libya and the Executive Committee at the 75th 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	82.52
HCFC-141b	C	I	31.14
Total			113.66

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2015	2016	2017	2018	2019	2020	2021	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	106.54	106.54	106.54	106.54	106.54	76.95	76.95	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	122.30	118.40	118.40	106.54	106.54	76.95	76.95	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	1,717,950	0	0	190,893	0	0	0	1,908,843
2.2	Support costs for Lead IA (US \$)	120,257	0	0	13,362	0	0	0	133,619
3.1	Total agreed funding (US \$)	1,717,950	0	0	190,893	0	0	0	1,908,843
3.2	Total support costs (US \$)	120,257	0	0	13,362	0	0	0	133,619
3.3	Total agreed costs (US \$)	1,838,207	0	0	204,255	0	0	0	2,042,462
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								2.67
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								79.85
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								23.84
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								0.00
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								7.30

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

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

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year

prior to the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

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

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The implementation and monitoring will be coordinated by the National Ozone Unit in cooperation with respective governmental bodies. National experts will be employed for particular tasks related to monitoring during the project implementation.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (k) Providing assistance with policy, management and technical support when required.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$144.03 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 IX

REVISED 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, 5,063.5 ODP tonnes by 1 January 2025 and 4,513.5 ODP tonnes by 1 January 2026 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.
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 consumption phased out in manufacturing lines converted with financial assistance from the Multilateral Fund in the sector 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, UNEP, 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 the industrial and commercial refrigeration and air-conditioning (ICR) and solvent sectors, XPS foam and room air-conditioning manufacturing and heat pump water heaters (HPWH) (RAC) sectors, refrigeration servicing sector and national enabling programme, and the PU foam sectors, respectively; and the Government of Austria, the Government of Germany, the Government of Italy, and 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, 2.4.6, 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.

17. This revised Agreement supersedes the Agreement reached between the Government of China and the Executive Committee at the 79th 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	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
Total	C	I	18,865.44

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Consumption targets													
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	11,772.0	11,772.0	8,618.0	8,618.0	5,063.5	4,513.5	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	1,609.9	1,369.6	1,369.6	780.9	780.9	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	2,259.7	1,614.1	1,614.1	1,232.6	1,232.6	n/a
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
Funding industrial and commercial refrigeration and air conditioning (ICR) sector plan													
2.1.1	Sector Lead IA (UNDP) agreed funding (US \$)	13,368,756	20,000,000	0	0	2,095,775	9,000,000	0	8,000,000	0	7,559,464	8,134,246	68,158,241
2.1.2	Support costs for UNDP (US \$)	935,813	1,400,000	0	0	146,704	630,000	0	560,000	0	529,162	569,397	4,771,076

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Funding extruded polystyrene (XPS) foam sector plan													
2.2.1	Sector Lead IA (UNIDO) agreed funding (US \$)	7,514,867	8,732,614	0	0	9,890,431	4,400,000	2,000,000	3,000,000	1,000,000	4,000,000	3,534,654	44,072,566
2.2.2	Support costs for UNIDO (US \$)	526,041	611,283	0	0	692,330	308,000	140,000	210,000	70,000	280,000	247,426	3,085,080
2.2.3	Sector cooperating agency (Germany) agreed funding (US \$)	0	267,386	0	0	0	600,000	0	0	0	0	0	867,386
2.2.4	Support costs for Germany (US \$)	0	31,877	0	0	0	73,535	0	0	0	0	0	105,412
Funding polyurethane (PU) foam sector plan													
2.3.1	Sector Lead IA (World Bank) agreed funding (US \$)	7,045,027	0	0	0	2,067,012	4,000,000	0	5,000,000	1,000,000	5,000,000	4,200,000	28,312,039
2.3.2	Support costs for World Bank (US \$)	493,152	0	0	0	144,691	280,000	0	350,000	70,000	350,000	294,000	1,981,843
Funding room air conditioning (RAC) sector plan													
2.4.1	Sector Lead IA (UNIDO) agreed funding (US \$)	14,671,089	16,000,000	0	0	0	4,150,000	0	6,300,000	0	8,717,105	8,613,995	58,452,189
2.4.2	Support costs for UNIDO (US \$)	1,026,976	1,120,000	0	0	0	290,500	0	441,000-	0	610,197	602,980	4,091,653
2.4.3	Sector cooperating agency (Italy) agreed funding (US \$)	891,892	0	0	0	0	0	0	0	0	0	0	891,892
2.4.4	Support costs for Italy (US \$)	108,108	0	0	0	0	0	0	0	0	0	0	108,108
2.4.5	Sector cooperating agency (Austria) agreed funding (US \$)	0	0	0	0	0	350,000	0	700,000	0	0	0	1,050,000
2.4.6	Support costs for Austria (US \$)	0	0	0	0	0	41,833	0	83,667	0	0	0	125,500
Funding service sector plan, including enabling programme													
2.5.1	Sector Lead IA (UNEP) agreed funding (US \$)	3,299,132	2,570,000	0	1,000,000	0	1,160,000	1,780,000	2,000,000	3,000,000	1,200,000	2,517,105	18,526,237
2.5.2	Support costs for UNEP (US \$)	364,651	284,061	0	120,000	0	127,291	195,325	219,467	329,200	131,680	276,211	2,047,886
2.5.3	Sector cooperating agency (Germany) agreed funding (US \$)	300,000	0	0	0	0	600,000	220,000	0	0	0	0	1,120,000
2.5.4	Support costs for Germany (US \$)	36,000	0	0	0	0	71,122	26,078	0	0	0	0	133,200

Annex IX

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
2.5.5	Sector cooperating agency (Japan) agreed funding (US \$)	80,000	80,000	0	0	0	240,000	0	0	0	0	0	400,000
2.5.6	Support costs for Japan (US \$)	10,400	10,400	0	0	0	31,200	0	0	0	0	0	52,000
Funding solvent sector plan													
2.6.1	Overall Lead IA (UNDP) agreed funding (US \$)	2,821,937	3,777,190	0	0	12,946,782	2,500,000	1,000,000	2,000,000	0	523,431	0	25,569,340
2.6.2	Support costs for UNDP (US \$)	197,536	264,403	0	0	906,275	175,000	70,000	140,000	0	36,640	0	1,789,854
Overall funding													
3.1	Total agreed funding (US \$)	49,992,700	51,427,190	0	1,000,000	27,000,000	27,000,000	5,000,000	27,000,000	5,000,000	27,000,000	27,000,000	247,419,890
3.2	Total support cost (US \$)	3,698,677	3,722,024	0	120,000	1,890,000	2,028,482	431,404	2,004,134	469,200	1,937,680	1,990,013	18,291,614
3.3	Total agreed costs (US \$)	53,691,377	55,149,214	0	1,120,000	28,890,000	29,028,482	5,431,404	29,004,134	5,469,200	28,937,680	28,990,013	265,711,504
Phase-out and remaining eligible consumption													
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)												6,631.46
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)												3,384.13
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)												7.94
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)												2.19
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)												0.86
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)												2.21
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)												727.87
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)												475.19
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

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

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 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) Coordinating the development and implementation of national policies and legislations on the control of ODS, including the bans of consumption of HCFCs in PU foam, XPS foam and solvent sectors to be effective by 1 January 2026;
- (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 Foreign Environmental Cooperation Center/Ministry of Ecology and Environment (FECO/MEE) to final beneficiaries, and the interest amount earned by FECO/MEE on the balances held by FECO/MEE.

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 \$42.82 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 \$42.82 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) Twelve manufacturing lines for the production of RAC equipment to R-290;
 - (b) Four compressor manufacturing lines to R-290; and
 - (c) Three residential HPWH manufacturing lines to R-290.
- 2. During stage II of the HPMP for the ICR sector, the Country agrees:
 - (a) That a maximum quantity of 1,463 metric tonnes (mt) in the unitary air-conditioning (UAC) sub-sector could be converted to HFC-32;
 - (b) That the Country would have flexibility 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, water chiller (heat pump) and industrial and commercial HPWH conversions to HFC-32 combined would not exceed 1,463 mt;
- (d) That at least 30 per cent of the total phase-out of HCFC-22 from 2021-2026 funded by the Multilateral Fund 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 low-GWP technologies identified in Table 3 of paragraph 71 of document UNEP/OzL.Pro/ExCom/86/21/Add.1, 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 X

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

Country	Views expressed by the Executive Committee
Algeria (Stage I)	Noting that the third (2014) and fourth (2017) tranches of stage I of the HPMP submitted to the 86 th meeting had been withdrawn, and urging the Government of Algeria to work with UNIDO to expedite implementation of the second (2012) tranche of stage I so that the third and fourth (2014 and 2017) tranches could be submitted to 87 th meeting with a verification report and a revised plan of action to take into account the reallocation of the 2014 and subsequent tranches.
Bahamas (the) (Stage I)	Noting that the mandatory verification on HCFC consumption targets had not been completed and urging the Government of the Bahamas to work with UNEP to complete the verification so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Bahrain (Stage I)	Noting the delays in signing the agreement and that the overall disbursement rate of the third (2019) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Bahrain to work with UNEP to expedite the signing of the agreement so that the fourth (2020) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Bangladesh (Stage II)	Noting the delays in signing the agreement and that the overall disbursement rate of the first (2018) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Bangladesh to work with UNDP to expedite the signing of the agreement so that the second (2020) tranche of stage II could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Barbados (Stage I)	Noting that the mandatory verification on HCFC consumption targets had not been completed and that the overall disbursement rate of the third (2018) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Barbados to work with UNEP to complete the verification so that the fourth (2020) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Belize (Stage I)	Noting the delays due to structural changes within the Government and the national ozone unit (NOU) and the mandatory verification on HCFC consumption targets had not been completed, and urging the Government of Belize to work with UNEP to complete the verification so that the third (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Benin (Stage I)	Noting the delays due to the COVID-19 pandemic, and urging the Government of Benin to work with UNEP so that the fifth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Bosnia and Herzegovina (Stage I)	Noting the delays due to the COVID-19 pandemic, and that the overall disbursement rate of the fourth (2018) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Bosnia and Herzegovina to work with UNIDO so that the fifth (2020) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Burundi (Stage I)	Noting the delays due to structural changes within the Government and the NOU, and urging the Government of Burundi to work with UNEP so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Chad (Stage I)	Nothing the delays due to banking issues to receive payments and urging the Government of Chad to work with UNEP so that the fifth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.

Country	Views expressed by the Executive Committee
Comoros (the) (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic, and urging the Government of the Comoros to work with UNEP so that the fifth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Congo (the) (Stage I)	Noting the delays in the Government endorsement of the project document and signing of the agreement, and urging the Government of the Congo to work with UNEP to expedite the signing of the agreement so that the fifth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Djibouti (Stage I)	Noting the delays in the Government endorsement of the project document and signing of the agreement, and urging the Government of Djibouti to work with UNEP to expedite the signing of the agreement so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Dominica (Stage I)	Noting the delays due to structural changes within the Government and the NOU, the non-submission of the progress and financial reports, and that the overall disbursement rate of the second (2019) tranche of stage I of the HPMP was below the 20 per cent threshold and urging the Government of Dominica to submit the required progress and financial reports and to work with UNEP so that the third (2020) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Equatorial Guinea (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic, and urging the Government of Equatorial Guinea to work with UNEP so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Gabon (Stage I)	Noting the delays due to structural changes within the Government and the NOU, and urging the Government of Gabon to work with UNEP so that the fifth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Grenada (Stage I)	Noting the delays due to structural changes within the Government and the NOU, that the mandatory verification on HCFC consumption targets had not been completed and that the overall disbursement rate of the second (2016) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Grenada to work with UNEP to complete the verification so that the third (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Haiti (Stage I)	Noting the delays due to structural changes within the Government and the NOU and that the overall disbursement rate of the second (2014) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Haiti to work with UNEP so that the third (2018) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2018 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Kuwait (Stage I)	Noting the delays in signing the agreement and that the overall disbursement rate of the third (2019) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Kuwait to work with UNEP to expedite the signing of the agreement, and with UNEP and UNIDO so that the fourth (2020) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Mali (Stage I)	Noting the delays in signing the agreement due to instability in the country, and urging the Government of Mali to work with UNEP to expedite the signing of the agreement, and with UNDP and UNEP so that the fifth (2020) tranche could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.

Country	Views expressed by the Executive Committee
Mauritania (Stage I)	Noting the delays in the Government endorsement of the project document and signing of the agreement, and urging the Government of Mauritania to work with UNEP to expedite the signing of the agreement, and with UNDP and UNEP so that the second (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches.
Mexico (Stage II)	Noting the delays due to structural changes within the Government and the NOU and that the overall disbursement rate of the third (2018) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Mexico to work with UNEP and UNIDO so that the fourth (2020) tranche of stage II could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Mozambique (Stage I)	Noting that the fifth (2020) tranche of stage I of the HPMP submitted to the 86 th meeting had been withdrawn because the overall disbursement rate of the third (2016) and fourth (2018) tranches was below the 20 per cent threshold, and urging the Government of Mozambique to work with UNEP to expedite implementation of the third (2016) and fourth (2018) tranches of stage I so that the fifth (2020) tranche could be submitted to the 87 th meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Niger (the) (Stage I)	Noting that the overall disbursement rate of the second (2019) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of the Niger to work with UNEP and UNIDO so that the third (2020) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Nigeria (Stage II)	Noting the delay due to lengthy process for completion and endorsement by stakeholders of the stage II project document and that the overall disbursement rate of the first (2018) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Nigeria to work with the Government of Italy and UNDP so that the second (2020) tranche of stage II could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Pakistan (Stage II)	Noting that the overall disbursement rate of the third (2019) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Pakistan to work with UNEP and UNIDO so that the fourth (2020) tranche of stage II could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Papua New Guinea (Stage I)	Noting the delays in implementing the third (2016) tranche of stage I of the HPMP, and urging the Government of Papua New Guinea to work with the Government of Germany so that the fourth (2020) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches.
Philippines (the) (Stage II)	Noting that the overall disbursement rate of the first (2017) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of the Philippines to work with UNIDO so that the second (2019) tranche of stage II could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2019 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Saint Kitts and Nevis (Stage I)	Noting the delays due to the non-submission of the progress and financial reports, that the mandatory verification on HCFC consumption targets had not been completed, and that the overall disbursement rate of the second (2015) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold and urging the Government of Saint Kitts and Nevis to submit the required progress and financial reports and to work with UNEP to complete the verification so that the third (2020) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.

Country	Views expressed by the Executive Committee
Saint Lucia (Stage I)	Noting the delays due to the non-submission of the progress and financial reports, that the mandatory verification on HCFC consumption targets had not been completed, and that the overall disbursement rate of the fourth (2018) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold and urging the Government of Saint Lucia to submit the required progress and financial reports and to work with UNEP to complete the verification so that the fifth (2020) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Somalia (Stage I)	Noting the delays due to complex implementation modalities between UNIDO and the NOU, and urging the Government of Somalia to work with UNIDO so that the third (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
South Africa (Stage I)	Noting the delays due to the constraints imposed by the COVID-19 pandemic and that the overall disbursement rate of the fourth (2016) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of South Africa to work with UNIDO so that the fifth (2018) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2018 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
South Sudan (Stage I)	Noting the delays due to the structural change in the country and constraints imposed by the COVID-19 pandemic, and that the overall disbursement rate of the first (2016) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of South Sudan to work with UNDP and UNEP so that the second (2018) tranche of stage I could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2018 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Suriname (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic and urging the Government of Suriname to work with UNEP and UNIDO so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Thailand (Stage II)	Noting the delays in signing the agreement and that the overall disbursement rate of the first (2018) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Thailand to work with the World Bank to expedite the signing of the agreement so that the second (2020) tranche of stage II could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Togo (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic, and urging the Government of Togo to work with UNEP so that the fifth (2020) tranche of stage I of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Venezuela (Bolivarian Republic of) (Stage II)	Noting the delays due to difficulties implementing project activities in the country, and urging the Government of the Bolivarian Republic of Venezuela to work with UNIDO so that the second (2019) tranche of stage II of the HPMP could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2019 and subsequent tranches.
Viet Nam (Stage II)	Noting that the overall disbursement rate of the second (2017) tranche of stage II 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 so that the third (2018) tranche of stage II could be submitted to the 87 th meeting with a revised plan of action to take into account the reallocation of the 2018 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.

Annex XI

PERFORMANCE INDICATORS FOR UNDP FOR 2021

Type of indicator	Short title	Calculation	2021 target
Planning-- Approval	Tranches approved	Number of tranches approved vs. those planned*	28
Planning-- Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)**	49
Implementation	Funds disbursed	Based on estimated disbursement in progress report	US \$22,419,984
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	368.84 ODP tonnes
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	49
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	70%
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	On time (3)
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	On time

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

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

Annex XII

PERFORMANCE INDICATORS FOR UNEP FOR 2021

Type of indicator	Short title	Calculation	2021 target
Planning-- Approval	Tranches approved	Number of tranches approved vs. those planned*	69
Planning-- Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)**	123
Implementation	Funds disbursed	Based on estimated disbursement in progress report	US \$20,561,656
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	87.68 ODP tonnes
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	104
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	14 months
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	On time (7)
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	On time

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

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

**PERFORMANCE INDICATORS FOR UNEP’S COMPLIANCE ASSISTANCE PROGRAMME
(CAP) FOR 2021**

Performance Indicator	Data	Assessment	2021 target
Efficient follow-up to regional network/ thematic meetings	List of recommendations emanating from 2018-2019 regional network/thematic meetings	Implementation rate of those meeting recommendations that are to be implemented in 2020	90% implementation rate
Effective support to NOUs in their work, particularly guidance to new NOUs	List of innovative ways/means/ products/ services for supporting NOUs in their work, with specification of those destined for new NOUs	Number of innovative ways, means, products, services for supporting NOUs in their work, with specification of those destined for new NOUs	- 7 such ways, means, products, services; -All new NOUs receive capacity building support.
Assistance to countries in actual or potential noncompliance (as per MOP decisions and/or as per reported Article 7 data and trend analysis)	List of countries in actual or potential on compliance that received CAP assistance outside the network meetings	Number of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	All such countries
Innovations in production and delivery of global and regional information products and services	List of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	Number of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	7 such products and services
Close cooperation between CAP regional teams and Implementing and bilateral agencies working in the regions	List of joint missions/ undertakings of CAP regional staff with implementing and bilateral agencies	Number of joint missions/undertakings	Suspended during the COVID-19 pandemic due to UN and national travel restrictions

Annex XIII

PERFORMANCE INDICATORS FOR UNIDO FOR 2021

Type of indicator	Short title	Calculation	2021 target
Planning-- Approval	Tranches approved	Number of tranches approved vs. those planned*	52
Planning-- Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)**	39
Implementation	Funds disbursed	Based on estimated disbursement in progress report	US \$24,801,519
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	760.70 ODP tonnes
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	107
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	12 months after operational completion
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	On time (1)
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	On time

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

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

Annex XIV

PERFORMANCE INDICATORS FOR THE WORLD BANK FOR 2021

Type of indicator	Short title	Calculation	2021 target
Planning-- Approval	Tranches approved	Number of tranches approved vs. those planned*	5
Planning-- Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)**	8
Implementation	Funds disbursed	Based on estimated disbursement in progress report	US \$18,159,693
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	709.22 ODP tonnes
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	5
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	90%
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	On time (13)
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	On time

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

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

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ARMENIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche)	UNDP		\$21,600	\$1,944	\$23,544	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VII: 4/2021-3/2023)	UNIDO		\$153,600	\$10,752	\$164,352	
Total for Armenia			\$175,200	\$12,696	\$187,896	
BARBADOS						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (stage II)	UNEP		\$30,000	\$3,900	\$33,900	
Verification report on the implementation of stage I of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Barbados			\$60,000	\$7,800	\$67,800	
BOLIVIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fifth tranche)	UNIDO		\$31,500	\$2,835	\$34,335	
Total for Bolivia			\$31,500	\$2,835	\$34,335	
BOSNIA AND HERZEGOVINA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on implementation of stage I of the HCFC phase-out management plan	UNIDO		\$30,000	\$2,700	\$32,700	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Bosnia and Herzegovina			\$30,000	\$2,700	\$32,700	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BOTSWANA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$150,000	\$18,844	\$168,844	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and have no HCFC imports after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to impose a ban on the import and use of HCFC-141b for flushing by 1 January 2021 and a ban on imports of HCFC-based equipment by 1 January 2024. Deducted 7.15 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNIDO		\$100,000	\$7,000	\$107,000	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and have no HCFC imports after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to impose a ban on the import and use of HCFC-141b for flushing by 1 January 2021 and a ban on imports of HCFC-based equipment by 1 January 2024. Deducted 7.15 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$55,000	\$7,150	\$62,150	
Total for Botswana			\$305,000	\$32,994	\$337,994	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BRAZIL						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, fourth tranche) (refrigeration servicing sector)	Germany	11.5	\$1,004,545	\$111,800	\$1,116,345	4.80
<p><i>Noted that the Agreement between the Government and the Executive Committee had been updated to reflect the postponement of the funding tranche for 2020 to 2021 of UNDP; and the reduction of UNIDO's component due to the removal of the three room AC enterprises (with a phase-out of 45.31 ODP tonnes of HCFC-22) that had converted with their own resources, and funding associated with the adjustment to the project management unit. UNDP was requested to continue assisting the Government in securing the supply of alternative technologies with low-GWP to the systems house U Tech, on the understanding that any incremental operating costs related to the conversion of froth system applications would not be paid under stage II until the technology originally selected or another technology with low GWP had been fully introduced, and to provide, at each meeting until the technology originally selected or another technology with low GWP had been fully introduced, a report on the status of the conversion, along with an update from the suppliers on the progress made towards ensuring that the selected technologies, including associated components, were available on a commercial basis in the country.</i></p>						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IX: 1/2021-12/2022)	UNDP		\$449,280	\$31,450	\$480,730	
	Total for Brazil	11.5	\$1,453,825	\$143,250	\$1,597,075	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BRUNEI DARUSSALAM						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$149,100	\$19,383	\$168,483	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2026; to completely phase out HCFCs by 1 January 2030, and that HCFC would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 3.96 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNDP		\$11,000	\$990	\$11,990	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2026; to completely phase out HCFCs by 1 January 2030, and that HCFC would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 3.96 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase VII: 1/2021-12/2022)	UNEP		\$89,600	\$0	\$89,600	
Total for Brunei Darussalam			\$249,700	\$20,373	\$270,073	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BURKINA FASO						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fourth tranche)	UNEP	1.9	\$63,000	\$8,190	\$71,190	
Total for Burkina Faso		1.9	\$63,000	\$8,190	\$71,190	
BURUNDI						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage I of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Burundi			\$30,000	\$3,900	\$33,900	
CAPE VERDE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$16,000	\$2,080	\$18,080	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII: 1/2021-12/2022)	UNEP		\$85,000	\$0	\$85,000	
Total for Cape Verde			\$101,000	\$2,080	\$103,080	
CHILE						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (stage III)	UNIDO		\$45,000	\$3,150	\$48,150	
Preparation of a HCFC phase-out management plan (stage III)	UNEP		\$15,000	\$1,950	\$16,950	
Total for Chile			\$60,000	\$5,100	\$65,100	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
COOK ISLANDS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP		\$165,050	\$21,457	\$186,507	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 0.56 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
Total for Cook Islands			\$165,050	\$21,457	\$186,507	
CUBA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNDP		\$260,000	\$18,200	\$278,200	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 10.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
Total for Cuba			\$260,000	\$18,200	\$278,200	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
DOMINICA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage I of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Dominica			\$30,000	\$3,900	\$33,900	
DOMINICAN REPUBLIC						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, first tranche)	UNEP		\$69,475	\$9,032	\$78,507	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 97.5 per cent of the country's baseline by 1 January 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to establish a mandatory certification system for service technicians by 2025. Deducted 28.02 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and if the Dominican Republic intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement covering the period beyond 2030.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage III, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 97.5 per cent of the country's baseline by 1 January 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to establish a mandatory certification system for service technicians by 2025. Deducted 28.02 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and if the Dominican Republic intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement covering the period beyond 2030.</i></p>	UNDP		\$603,005	\$42,210	\$645,215	
<p>HCFC phase-out management plan (stage II, third tranche)</p> <p><i>The Government of the Dominican Republic, UNDP and UNEP were requested to submit a progress report on the implementation of the work programme associated with the final tranche to the first meeting of the Executive Committee in 2022. UNDP was requested to submit detailed reports on the results of the pilot project for the adoption of non-ODP, low-GWP technologies and RAC equipment conversion once they have been completed, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d).</i></p>	UNDP		\$146,558	\$10,259	\$156,817	
SEVERAL						
Ozone unit support						
<p>Extension of the institutional strengthening project (phase XI: 1/2021-12/2022)</p>	UNEP		\$171,946	\$0	\$171,946	
Total for Dominican Republic			\$990,984	\$61,501	\$1,052,485	

* HCFC in ODP tonnes. HFC in metric tonnes

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ECUADOR						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$24,000	\$3,120	\$27,120	

Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2023; not to issue any import quota for HCFC-141b contained in pre-blended polyols, except for a maximum of 0.86 ODP tonnes (7.78 metric tonnes) for spray foam for each year between 2021 and 2023; and to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030 and 2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 16.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. The Government was requested to submit, as part of stage II of the HPMP, a project proposal for the phase-out of HCFC-141b contained in imported pre blended polyols for spray foam, in line with decision 81/47(c)(iii), noting that the Government has deferred the enforcement of the import ban on HCFC-141b for spray foam from 1 January 2022 to 1 January 2024, in order to allow for the conversion of enterprises. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and recognizing that the Government has requested funding commensurate with a low-volume consuming country, the expected annual HCFC consumption for the 2030-2040 period.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2023; not to issue any import quota for HCFC-141b contained in pre-blended polyols, except for a maximum of 0.86 ODP tonnes (7.78 metric tonnes) for spray foam for each year between 2021 and 2023; and to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030 and 2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 16.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. The Government was requested to submit, as part of stage II of the HPMP, a project proposal for the phase-out of HCFC-141b contained in imported pre blended polyols for spray foam, in line with decision 81/47(c)(iii), noting that the Government has deferred the enforcement of the import ban on HCFC-141b for spray foam from 1 January 2022 to 1 January 2024, in order to allow for the conversion of enterprises. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and recognizing that the Government has requested funding commensurate with a low-volume consuming country, the expected annual HCFC consumption for the 2030-2040 period.</i></p>	UNIDO		\$268,750	\$18,813	\$287,563	
Total for Ecuador			\$292,750	\$21,933	\$314,683	
EGYPT						
SEVERAL						
Ozone unit support						
<p>Extension of the institutional strengthening project (phase XIII: 1/2021-12/2022)</p>	UNIDO		\$292,253	\$20,458	\$312,711	
Total for Egypt			\$292,253	\$20,458	\$312,711	
EL SALVADOR						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, fourth tranche)</p> <p><i>UNDP was requested to include, as part of the submission for stage II of the HPMP for El Salvador, an update on progress towards implementing the recommendations in the verification report submitted to the 86th meeting.</i></p>	UNDP		\$16,000	\$1,200	\$17,200	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, fourth tranche)</p> <p><i>UNDP was requested to include, as part of the submission for stage II of the HPMP for El Salvador, an update on progress towards implementing the recommendations in the verification report submitted to the 86th meeting.</i></p>	UNEP		\$19,000	\$520	\$19,520	
Total for El Salvador			\$35,000	\$1,720	\$36,720	
EQUATORIAL GUINEA						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>Verification report on the implementation of the HCFC phase-out management plan</p> <p><i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i></p>	UNEP		\$30,000	\$3,900	\$33,900	
Total for Equatorial Guinea			\$30,000	\$3,900	\$33,900	
ESWATINI						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>Verification report on the implementation of the HCFC phase-out management plan</p> <p><i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i></p>	UNEP		\$30,000	\$3,900	\$33,900	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 1.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>	UNEP		\$70,000	\$9,100	\$79,100	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 1.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>	UNDP		\$50,000	\$4,500	\$54,500	
Total for Eswatini			\$150,000	\$17,500	\$167,500	
ETHIOPIA						
SEVERAL						
Ozone unit support						
<p>Extension of the institutional strengthening project (phase VIII: 1/2021-12/2022)</p>	UNEP		\$85,000	\$0	\$85,000	
Total for Ethiopia			\$85,000		\$85,000	
FIJI						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, fourth tranche)</p> <p><i>Noted that the Agreement between the Government and the Executive Committee had been updated to reflect the revised HCFC baseline for compliance; and UNDP was requested to submit a detailed report on the results of the end users incentive programme to replace HCFC-22-based air-conditioning units with HFC 32-based units, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d).</i></p>	UNDP		\$19,950	\$1,795	\$21,745	
<p>HCFC phase-out management plan (stage I, fourth tranche)</p> <p><i>Noted that the Agreement between the Government and the Executive Committee had been updated to reflect the revised HCFC baseline for compliance; and UNDP was requested to submit a detailed report on the results of the end users incentive programme to replace HCFC-22-based air-conditioning units with HFC 32-based units, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d).</i></p>	UNEP		\$11,550	\$1,502	\$13,052	
SEVERAL						
Ozone unit support						
<p>Extension of the institutional strengthening project (phase XII: 1/2021-12/2022)</p>	UNEP		\$85,000	\$0	\$85,000	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
Total for Fiji			\$116,500	\$3,297	\$119,797
GAMBIA					
PHASE-OUT PLAN					
HCFC phase out plan					
HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$21,000	\$2,730	\$23,730
HCFC phase-out management plan (stage II, first tranche)	UNIDO		\$90,000	\$8,100	\$98,100
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 0.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>					
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$100,000	\$13,000	\$113,000
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 0.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>					
Total for Gambia			\$211,000	\$23,830	\$234,830
GHANA					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase XIV: 1/2021-12/2022)	UNDP		\$178,048	\$12,463	\$190,511
Total for Ghana			\$178,048	\$12,463	\$190,511

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GUATEMALA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNIDO	0.6	\$129,600	\$9,072	\$138,672	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 45 per cent of the country's baseline by 2022, 67.5 per cent by 2025 and 85 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; to issue a ban on the import of HCFC-141b for flushing from 1 January 2021; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024. Deducted 5.4 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.2	\$43,000	\$5,590	\$48,590	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 45 per cent of the country's baseline by 2022, 67.5 per cent by 2025 and 85 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; to issue a ban on the import of HCFC-141b for flushing from 1 January 2021; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024. Deducted 5.4 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
Total for Guatemala		0.8	\$172,600	\$14,662	\$187,262	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GUINEA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (stage II)	UNIDO		\$10,000	\$700	\$10,700	
Preparation of a HCFC phase-out management plan (stage II)	UNEP		\$20,000	\$2,600	\$22,600	
Total for Guinea			\$30,000	\$3,300	\$33,300	
GUYANA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Guyana			\$30,000	\$3,900	\$33,900	
HAITI						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Haiti			\$30,000	\$3,900	\$33,900	

* HCFC in ODP tonnes. HFC in metric tonnes

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HONDURAS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.2	\$26,500	\$3,445	\$29,945	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 50.2 per cent by 2022, 67.5 per cent by 2025, 86.4 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024. Deducted 11.71 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$25,000	\$3,250	\$28,250	
<i>UNIDO was requested to submit to the 88th meeting an update on progress towards implementing the recommendations in the verification report, including actions taken by Honduras to ensure the accuracy of country programme implementation data and Article 7 data submitted to the Multilateral Fund and Ozone Secretariats, respectively.</i>						
HCFC phase-out management plan (stage I, fifth tranche)	UNIDO		\$40,000	\$3,000	\$43,000	
<i>UNIDO was requested to submit to the 88th meeting an update on progress towards implementing the recommendations in the verification report, including actions taken by Honduras to ensure the accuracy of country programme implementation data and Article 7 data submitted to the Multilateral Fund and Ozone Secretariats, respectively.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 50.2 per cent by 2022, 67.5 per cent by 2025, 86.4 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024. Deducted 11.71 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>	UNIDO	1.6	\$197,000	\$13,790	\$210,790	
Total for Honduras		1.8	\$288,500	\$23,485	\$311,985	

INDIA

PHASE-OUT PLAN

HCFC phase out plan

<p>HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector plan)</p> <p><i>Noted that as part of the submission for the fourth (final) tranche of stage II of the HPMP, the Government of India would either return US \$709,493, plus agency support costs for UNDP associated with the non Article-5 ownership of Subros Ltd, or propose to switch that enterprise with an alternate enterprise, at which time any adjustments to the funding level and remaining HCFC consumption eligible for phase-out would be made; that the Government determined that the continuous panel manufacturing production lines of three enterprises initially included in stage II of the HPMP were not in compliance with the 1 January 2015 ban, excluded the conversion of these lines from the HPMP, and will return the disbursed amount of US \$283,856 to the project, in line with decision 82/74(c); and that US \$4,062,046, plus agency support costs of US \$284,343, would be deducted from the approval for UNDP, in line with decision 77/43(d)(ii). Noted that for the amount approved for Germany of US\$1,500,000, plus agency support costs of US\$167,941, US\$105,887, plus agency support costs of US \$11,855, will be allocated to the 87th meeting.</i></p>	Germany	16.0	\$1,394,113	\$156,086	\$1,550,199	
---	---------	------	-------------	-----------	-------------	--

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector plan)</p> <p><i>Noted that as part of the submission for the fourth (final) tranche of stage II of the HPMP, the Government of India would either return US \$709,493, plus agency support costs for UNDP associated with the non Article-5 ownership of Subros Ltd, or propose to switch that enterprise with an alternate enterprise, at which time any adjustments to the funding level and remaining HCFC consumption eligible for phase-out would be made; that the Government determined that the continuous panel manufacturing production lines of three enterprises initially included in stage II of the HPMP were not in compliance with the 1 January 2015 ban, excluded the conversion of these lines from the HPMP, and will return the disbursed amount of US \$283,856 to the project, in line with decision 82/74(c); and that US \$4,062,046, plus agency support costs of US \$284,343, would be deducted from the approval for UNDP, in line with decision 77/43(d)(ii).</i></p>	UNEP	2.4	\$210,000	\$25,433	\$235,433	
<p>HCFC phase-out management plan (stage II, third tranche) (polyurethane foam sector plan)</p> <p><i>Noted that as part of the submission for the fourth (final) tranche of stage II of the HPMP, the Government of India would either return US \$709,493, plus agency support costs for UNDP associated with the non Article-5 ownership of Subros Ltd, or propose to switch that enterprise with an alternate enterprise, at which time any adjustments to the funding level and remaining HCFC consumption eligible for phase-out would be made; that the Government determined that the continuous panel manufacturing production lines of three enterprises initially included in stage II of the HPMP were not in compliance with the 1 January 2015 ban, excluded the conversion of these lines from the HPMP, and will return the disbursed amount of US \$283,856 to the project, in line with decision 82/74(c); and that US \$4,062,046, plus agency support costs of US \$284,343, would be deducted from the approval for UNDP, in line with decision 77/43(d)(ii).</i></p>	UNDP	210.8	\$7,790,280	\$545,320	\$8,335,600	
<p>HCFC phase-out management plan (stage II, third tranche) (air-conditioning manufacturing sector plan)</p> <p><i>Noted that as part of the submission for the fourth (final) tranche of stage II of the HPMP, the Government of India would either return US\$709,493, plus agency support costs for UNDP associated with the non Article-5 ownership of Subros Ltd, or propose to switch that enterprise with an alternate enterprise, at which time any adjustments to the funding level and remaining HCFC consumption eligible for phase-out would be made; that the Government determined that the continuous panel manufacturing production lines of three enterprises initially included in stage II of the HPMP were not in compliance with the 1 January 2015 ban, excluded the conversion of these lines from the HPMP, and will return the disbursed amount of US \$283,856 to the project, in line with decision 82/74(c); and that US\$4,062,046, plus agency support costs of US \$284,343, would be deducted from the approval for UNDP, in line with decision 77/43(d)(ii).</i></p>	UNDP	17.3	\$3,455,220	\$241,865	\$3,697,085	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, third tranche) (project management and monitoring)	UNDP		\$800,000	\$56,000	\$856,000	
<p><i>Noted that as part of the submission for the fourth (final) tranche of stage II of the HPMP, the Government of India would either return US \$709,493, plus agency support costs for UNDP associated with the non Article-5 ownership of Subros Ltd, or propose to switch that enterprise with an alternate enterprise, at which time any adjustments to the funding level and remaining HCFC consumption eligible for phase-out would be made; that the Government determined that the continuous panel manufacturing production lines of three enterprises initially included in stage II of the HPMP were not in compliance with the 1 January 2015 ban, excluded the conversion of these lines from the HPMP, and will return the disbursed amount of US \$283,856 to the project, in line with decision 82/74(c); and that US \$4,062,046, plus agency support costs of US \$284,343, would be deducted from the approval for UNDP, in line with decision 77/43(d)(ii).</i></p>						
Total for India		246.5	\$13,649,613	\$1,024,704	\$14,674,317	

IRAN

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	UNEP	2.0	\$170,000	\$21,129	\$191,129	
--	------	-----	-----------	----------	-----------	--

Noted that US \$375,701, plus agency support cost of US \$26,299 would be deducted from the approval for UNIDO, in line with decision 84/74(a)(iv). UNIDO, UNDP and the Governments of Germany and Italy were requested to continue submitting, with each funding tranche request, a detailed report on the status of the conversion of each of the foam projects covered under stage II including the financial viability, the current level of HCFC-141b consumption, the alternative technology selected, the total cost from the Multilateral Fund and the level of co financing, as applicable, in line with decision 84/74(c).

HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector and PMU)	UNDP	2.8	\$448,415	\$31,390	\$479,805	
--	------	-----	-----------	----------	-----------	--

Noted that US \$375,701, plus agency support cost of US \$26,299 would be deducted from the approval for UNIDO, in line with decision 84/74(a)(iv). UNIDO, UNDP and the Governments of Germany and Italy were requested to continue submitting, with each funding tranche request, a detailed report on the status of the conversion of each of the foam projects covered under stage II including the financial viability, the current level of HCFC-141b consumption, the alternative technology selected, the total cost from the Multilateral Fund and the level of co financing, as applicable, in line with decision 84/74(c).

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, third tranche) (commercial refrigeration sector) <i>Noted that US \$375,701, plus agency support cost of US \$26,299 would be deducted from the approval for UNIDO, in line with decision 84/74(a)(iv). UNIDO, UNDP and the Governments of Germany and Italy were requested to continue submitting, with each funding tranche request, a detailed report on the status of the conversion of each of the foam projects covered under stage II including the financial viability, the current level of HCFC-141b consumption, the alternative technology selected, the total cost from the Multilateral Fund and the level of co financing, as applicable, in line with decision 84/74(c).</i>	Germany	1.7	\$145,255	\$16,521	\$161,776	
HCFC phase-out management plan (stage II, third tranche) (foam sector) <i>Noted that US \$375,701, plus agency support cost of US \$26,299 would be deducted from the approval for UNIDO, in line with decision 84/74(a)(iv). UNIDO, UNDP and the Governments of Germany and Italy were requested to continue submitting, with each funding tranche request, a detailed report on the status of the conversion of each of the foam projects covered under stage II including the financial viability, the current level of HCFC-141b consumption, the alternative technology selected, the total cost from the Multilateral Fund and the level of co financing, as applicable, in line with decision 84/74(c).</i>	Germany	0.8	\$139,754	\$15,896	\$155,650	
HCFC phase-out management plan (stage II, third tranche) (foam sector) <i>Noted that US \$375,701, plus agency support cost of US \$26,299 would be deducted from the approval for UNIDO, in line with decision 84/74(a)(iv). UNIDO, UNDP and the Governments of Germany and Italy were requested to continue submitting, with each funding tranche request, a detailed report on the status of the conversion of each of the foam projects covered under stage II including the financial viability, the current level of HCFC-141b consumption, the alternative technology selected, the total cost from the Multilateral Fund and the level of co financing, as applicable, in line with decision 84/74(c).</i>	UNDP	5.2	\$283,475	\$19,843	\$303,318	
HCFC phase-out management plan (stage II, third tranche) (commercial refrigeration sector) <i>Noted that US \$375,701, plus agency support cost of US \$26,299 would be deducted from the approval for UNIDO, in line with decision 84/74(a)(iv). UNIDO, UNDP and the Governments of Germany and Italy were requested to continue submitting, with each funding tranche request, a detailed report on the status of the conversion of each of the foam projects covered under stage II including the financial viability, the current level of HCFC-141b consumption, the alternative technology selected, the total cost from the Multilateral Fund and the level of co financing, as applicable, in line with decision 84/74(c).</i>	UNDP	6.6	\$576,090	\$40,326	\$616,416	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, third tranche) (foam sector)	UNIDO	9.3	\$524,000	\$36,680	\$560,680	
<p><i>Noted that US \$375,701, plus agency support cost of US \$26,299 would be deducted from the approval for UNIDO, in line with decision 84/74(a)(iv). UNIDO, UNDP and the Governments of Germany and Italy were requested to continue submitting, with each funding tranche request, a detailed report on the status of the conversion of each of the foam projects covered under stage II including the financial viability, the current level of HCFC-141b consumption, the alternative technology selected, the total cost from the Multilateral Fund and the level of co financing, as applicable, in line with decision 84/74(c).</i></p>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XIII: 4/2021-3/2023)	UNDP		\$222,094	\$15,547	\$237,641	
	Total for Iran	28.2	\$2,509,083	\$197,332	\$2,706,415	
JAMAICA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNDP		\$117,000	\$8,190	\$125,190	
<p><i>Noted that the revised starting point for sustained aggregate reduction in HCFC consumption for Jamaica was 10.58 ODP tonnes, based on the best estimates of consumption in the country in 2009 and 2010; and that the maximum remaining funding for which the country was eligible for the total phase-out of HCFCs was US \$390,000, based on the difference between the maximum level of funding eligible for the complete phase-out of US \$950,000 in line with decision 74/50(c)(xii) and the funding approved under stage I of US \$560,000. Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; to prohibit import of HCFC-based equipment by 1 January 2026. Deducted 2.48 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. The Government and UNDP were requested to provide, to the 87th meeting, an update on the status of implementation of the measures for strengthening the licensing and quota system and monitoring and reporting of HCFC consumption recommended in the verification report submitted to the 85th meeting. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
	Total for Jamaica		\$117,000	\$8,190	\$125,190	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
KENYA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	France		\$616,500	\$71,310	\$687,810	
<i>The Government of Kenya was requested to submit, through the Government of France, a status report, to the last meeting of 2021, on the strengthening of the licensing and quota system for HCFCs and information sharing with Kenya Revenue Authority on HCFC imports in light of the recommendations made in the verification report. The Government of France was requested to submit detailed reports on the results of the demonstration projects/incentive schemes for residential air-conditioning and commercial refrigeration once they have been completed, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d).</i>						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XII: 1/2021-12/2022)	UNEP		\$194,134	\$0	\$194,134	
Total for Kenya			\$810,634	\$71,310	\$881,944	
KIRIBATI						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP		\$201,600	\$26,208	\$227,808	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 0.63 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
Total for Kiribati			\$201,600	\$26,208	\$227,808	
KYRGYZSTAN						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase X: 1/2021-12/2022)	UNEP		\$148,262	\$0	\$148,262	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
Total for Kyrgyzstan			\$148,262		\$148,262
LAO, PDR					
PHASE-OUT PLAN					
HCFC phase out plan					
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$106,400	\$13,832	\$120,232
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; to ban the import of all types of HCFC-based equipment from 1 January 2023. Deducted 1.50 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, and 3.24 ODP tonnes of HCFC-141b contained in the imported pre blended polyols phased out without assistance from the Multilateral Fund, as there has not been any consumption of this substance since 2014. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>					
HCFC phase-out management plan (stage II, first tranche)	UNDP		\$107,000	\$9,630	\$116,630
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; to ban the import of all types of HCFC-based equipment from 1 January 2023. Deducted 1.50 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, and 3.24 ODP tonnes of HCFC-141b contained in the imported pre blended polyols phased out without assistance from the Multilateral Fund, as there has not been any consumption of this substance since 2014. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>					
Total for Lao, PDR			\$213,400	\$23,462	\$236,862

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
LEBANON						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing and project management and coordination)	UNDP	2.6	\$250,462	\$17,532	\$267,994	
<i>Noted that the ban on imports of HCFC-141b in bulk and contained in imported pre blended polyols is postponed to 1 January 2021. Noted the request of the Government of Lebanon to accelerate completion of stage II of its HPMP from 2025 to 2024; and the commitment of the Government of Lebanon to reduce HCFC consumption by 62.5 per cent by 2022 and 75 per cent by 2024; and that the Agreement between the Government and the Executive Committee had been updated to reflect the revised target consumption to be met by Lebanon in 2024, the change of the duration of stage II, the change of targets and the revised funding schedule to advance the funding tranche for 2021 to 2020 and 2024 to 2023.</i>						
HCFC phase-out management plan (stage II, third tranche) (air-conditioning sector)	UNDP	1.0	\$170,000	\$11,900	\$181,900	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XII: 4/2021-3/2023)	UNDP		\$198,515	\$13,896	\$212,411	
Total for Lebanon		3.6	\$618,977	\$43,328	\$662,305	
MALI						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Mali			\$30,000	\$3,900	\$33,900	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MARSHALL ISLANDS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP	0.1	\$74,200	\$9,646	\$83,846	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 2.59 metric ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
Total for Marshall Islands		0.1	\$74,200	\$9,646	\$83,846	
MAURITANIA						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase VII: 1/2021-12/2022)	UNEP		\$85,000	\$0	\$85,000	
Total for Mauritania			\$85,000		\$85,000	
MAURITIUS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fourth tranche)	Germany		\$161,300	\$19,458	\$180,758	
<i>Approved on the understanding that the Treasurer would not release the funding for the fourth tranche until confirmation was received by the Secretariat from the Government of Mauritius, through the Government of Germany, that an order had been placed for procurement of 160 R-290-based air-conditioners; the agreement on demonstration of climate-friendly refrigeration equipment had been signed with the beneficiary supermarket and co-financing arrangements for the installation of equipment by the beneficiary had been finalised; and the Government of Germany will submit detailed reports on the results of the incentive schemes for end-users and mini-supermarkets once they have been completed, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d).</i>						
Total for Mauritius			\$161,300	\$19,458	\$180,758	

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MEXICO						
PRODUCTION						
HFC- emission control						
Control and phase-out of HFC-23 emissions in production of HCFC-22 at Quimobasicos	UNIDO		\$483,058	\$33,814	\$516,872	
<p><i>Approved on the understanding that the Government would ensure that, by 1 January 2022 and thereafter, emissions of HFC-23 by-product from HCFC-22 production lines were destroyed in compliance with the Montreal Protocol, such that emissions for both lines were at or below 0.1 kg of HFC-23 per 100 kg of HCFC-22 produced; the Government had the flexibility to use the funding approved in principle to refurbish either of the two, or both, plasma arc destruction units installed at Quimobásicos, described in document UNEP/OzL.Pro/ExCom/85/65, on the understanding that any additional funding required would be covered by Quimobásicos; a maximum amount of US\$2,995,047, out of the total funding approved, was associated with incremental operating costs and would be divided into annual tranches to be provided to Mexico upon verification of the quantity of HFC-23 by product destroyed; the incremental operating costs in each annual tranche would be calculated by multiplying the number of kilogrammes of HFC-23 destroyed by US \$3.28/kg; the project would be completed by 1 January 2031; the Government committed to ensuring that there would be no additional funding from other sources, including HFC-23 credits or offsets, for the control of HFC-23 by-product emissions from the production lines concerned, during or after completion of the project. Noted the commitment by Quimobásicos to suspend production of HCFC- 22 for up to two weeks to allow for the repair of the plasma-arc destruction unit if the Government were to choose Option 1A in document UNEP/OzL.Pro/ExCom/85/65; the commitment by the Government to ensure that emissions of HFC 23 by-product from HCFC-22 production by Quimobásicos would continue to be controlled and verified in the same manner after the completion of the project, including by means of policies and legislation; that the funding approved in principle was the total funding that would be available to the Government from the Multilateral Fund for the control of HFC 23 by-product emissions; the funding provided reflected reductions for non-Article 5 ownership and exports to non-Article 5 Parties; the costs agreed for the project recognized the special circumstances of the project in Mexico and did not set a precedent for any other projects related to the control of HFC-23 by-product emissions; requested the Secretariat, in cooperation with UNIDO, to prepare a draft Agreement between the Government and the Executive Committee for the control of HFC 23 by product emissions for consideration at the 87th meeting, in light of the guidance provided by the Executive Committee at the 86th meeting; and invited the Government of Mexico, after the completion of the project, to consider requesting additional funding, for independent verification of the HFC-23 by-product generated, destroyed, sold, stored and emitted, under the subsequent stage of its HCFC phase-out management plan, until approval of the HFC phase-down plan for the country, at which time verification would continue under that plan.</i></p>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XV: 7/2021-6/2023)	UNIDO		\$316,160	\$22,131	\$338,291	
Total for Mexico			\$799,218	\$55,945	\$855,163	
MICRONESIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP	0.1	\$202,100	\$26,273	\$228,373	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 1.66 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
Total for Micronesia			0.1	\$202,100	\$26,273	\$228,373
MOLDOVA, REP						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report for implementation of stage II of the HCFC phase-out management plan	UNDP		\$30,000	\$2,700	\$32,700	
<p><i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i></p>						
HCFC phase-out management plan (stage II, third tranche)	UNDP		\$17,450	\$1,570	\$19,020	
<p><i>Approved on the understanding that if the verification report to be submitted in 2021 covering the country's consumption in 2015 through 2020 indicated that the country was not in compliance with the targets specified in the Agreement, the Executive Committee would consider applying the penalty clause against stage III of the HPMP.</i></p>						
Total for Moldova, Rep			\$47,450	\$4,270	\$51,720	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MONGOLIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	Japan		\$110,000	\$14,300	\$124,300	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 78.6 per cent of the country's baseline by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to ban the import of HCFC-based refrigeration and air-conditioning equipment by 1 January 2022. Deducted 0.40 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$116,000	\$15,080	\$131,080	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 78.6 per cent of the country's baseline by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and to ban the import of HCFC-based refrigeration and air-conditioning equipment by 1 January 2022. Deducted 0.40 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
Total for Mongolia			\$226,000	\$29,380	\$255,380	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MOZAMBIQUE						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan <i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>	UNEP		\$30,000	\$3,900	\$33,900	
Total for Mozambique			\$30,000	\$3,900	\$33,900	
MYANMAR						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan <i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>	UNEP		\$30,000	\$3,900	\$33,900	
HCFC phase-out management plan (stage I, third tranche) <i>Approved, on an exceptional basis given potential further delay in implementing phase-out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested, the extension of the date of completion of stage I of the HPMP for Myanmar to 31 December 2022.</i>	UNEP		\$29,000	\$3,770	\$32,770	
Total for Myanmar			\$59,000	\$7,670	\$66,670	
NAURU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 0.12 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>	UNEP		\$65,450	\$8,509	\$73,959	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VI: 1/2021-12/2022)	UNEP		\$85,000	\$0	\$85,000	
	Total for Nauru		\$150,450	\$8,509	\$158,959	
NEPAL						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, third tranche) <i>Approved on the understanding that UNEP would include, as part of the progress report on the implementation of the second tranche of stage II of the HPMP, an update on progress towards implementing the recommendations from the verification report submitted to the 86th meeting, including the revision of standard operating procedures for licensing, enforcement of a system for reporting by various stakeholders, effective monitoring of the HCFC and HCFC-based equipment market, and updating risk profiles for ODS imports.</i>	UNEP		\$12,600	\$1,638	\$14,238	
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 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 43 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFC would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 0.63 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>	UNDP		\$90,000	\$8,100	\$98,100	
HCFC phase-out management plan (stage I, third tranche) <i>Approved on the understanding that UNEP would include, as part of the progress report on the implementation of the second tranche of stage II of the HPMP, an update on progress towards implementing the recommendations from the verification report submitted to the 86th meeting, including the revision of standard operating procedures for licensing, enforcement of a system for reporting by various stakeholders, effective monitoring of the HCFC and HCFC-based equipment market, and updating risk profiles for ODS imports.</i>	UNDP		\$8,400	\$756	\$9,156	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage I, fourth tranche)	UNIDO		\$25,500	\$2,295	\$27,795	
HCFC phase-out management plan (stage II, first tranche)	UNIDO	0.4	\$100,092	\$7,006	\$107,098	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to ban the import of HCFC-based RAC equipment by 30 June 2022; to implement a regulation requiring the recovery of HCFC-22 during the servicing of RAC equipment, and a prohibition to vent HCFC-22 during installation, servicing and decommissioning of end-of-life equipment by 30 June 2022; the RAC technician certification scheme by 30 June 2022, and to train and certify 1,400 RAC technicians by 30 June 2023; and a regulation to only allow the sale of HCFCs to certified technicians by 31 December 2023; to reduce HCFC consumption by 41 per cent by 1 January 2022, 44 per cent by 1 January 2023, 67.5 per cent by 1 January 2025, 72 per cent by 1 January 2026, and 85 per cent by 1 January 2028; and to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 4.36 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030- 2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase X: 12/2020-11/2022)	UNEP		\$85,000	\$0	\$85,000	
		Total for Nicaragua	0.6	\$266,750	\$16,602	\$283,352
NIGERIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XI: 12/2020-11/2022)	UNDP		\$332,800	\$23,296	\$356,096	
		Total for Nigeria	\$332,800	\$23,296	\$356,096	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
NIUE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP		\$41,200	\$5,356	\$46,556	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 0.1 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
	Total for Niue		\$41,200	\$5,356	\$46,556	
NORTH MACEDONIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, tenth tranche)	UNIDO		\$75,000	\$5,625	\$80,625	
<i>Extended the date of completion of stage I of the HPMP for North Macedonia to 31 December 2022; and noted that the Agreement between the Government and the Executive Committee had been updated to indicate the change of official name of the country to North Macedonia; to reflect the submission of the eleventh and final tranche in 2021; and paragraph 16 was added to indicate that the updated Agreement superseded that reached at the 67th meeting.</i>						
Verification report on implementation of stage I of the HCFC phase-out management plan	UNIDO		\$30,000	\$2,700	\$32,700	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
	Total for North Macedonia		\$105,000	\$8,325	\$113,325	
OMAN						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (stage III)	UNIDO		\$40,000	\$2,800	\$42,800	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Preparation of a HCFC phase-out management plan (stage III)	UNEP		\$20,000	\$2,600	\$22,600	
HCFC phase-out management plan (stage II, third tranche) <i>The Government of Oman, UNIDO and UNEP were requested to submit a progress report on the implementation of the work programme associated with the final tranche of stage II to the first meeting of the Executive Committee in 2022, and the 2020-2021 verification report as part of the submission for the second tranche of the stage III of the HPMP, on the understanding that if the 2020-2021 verification report indicated that the country was not in compliance with the targets specified in the Agreement, the Executive Committee would consider applying the penalty clause against stage III of the HPMP.</i>	UNIDO		\$20,000	\$1,400	\$21,400	
HCFC phase-out management plan (stage II, third tranche) <i>The Government of Oman, UNIDO and UNEP were requested to submit a progress report on the implementation of the work programme associated with the final tranche of stage II to the first meeting of the Executive Committee in 2022, and the 2020-2021 verification report as part of the submission for the second tranche of the stage III of the HPMP, on the understanding that if the 2020-2021 verification report indicated that the country was not in compliance with the targets specified in the Agreement, the Executive Committee would consider applying the penalty clause against stage III of the HPMP.</i>	UNEP		\$57,000	\$7,410	\$64,410	
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening support (phase VIII: 12/2020-11/2022)	UNIDO		\$87,638	\$6,135	\$93,773	
	Total for Oman		\$224,638	\$20,345	\$244,983	
PALAU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 1.93 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>	UNEP	0.1	\$183,000	\$23,790	\$206,790	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Palau		0.1	\$183,000	\$23,790	\$206,790	
PANAMA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, first tranche)	UNDP		\$206,800	\$14,476	\$221,276	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 97.5 per cent of the country's baseline by 2028 and completely phase out HCFCs by 1 January 2030, after which date HCFCs would not be imported, except for the allowance for a servicing tail between 2030 and 2040 where required, and consistent with the provisions of the Montreal Protocol; to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024; and further noted that the second tranche of stage III would only be considered upon completion of stage II and submission of the project completion report. Deducted 13.39 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and if Panama intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement covering the period beyond 2030.</i></p>						
Total for Panama			\$206,800	\$14,476	\$221,276	
PARAGUAY						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$63,000	\$8,190	\$71,190	
Total for Paraguay			\$63,000	\$8,190	\$71,190	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
RWANDA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.4	\$90,000	\$11,700	\$101,700	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 51 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; further noted the commitment of the Government to implement regulations for the national product registration and certification of refrigeration service technicians by 1 January 2024. Deducted 2.66 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNIDO	0.3	\$70,000	\$6,300	\$76,300	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 51 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; further noted the commitment of the Government to implement regulations for the national product registration and certification of refrigeration service technicians by 1 January 2024. Deducted 2.66 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
Total for Rwanda		0.7	\$160,000	\$18,000	\$178,000	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SAINT LUCIA						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase XI: 1/2021-12/2022)	UNEP		\$85,000	\$0	\$85,000	
Total for Saint Lucia			\$85,000		\$85,000	
SAINT VINCENT AND THE GRENADINES						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$103,000	\$13,390	\$116,390	
<i>Noted the commitment of the Government of Saint Vincent and the Grenadines to impose a ban on the imports of HCFC-based equipment by 1 January 2022, and on the imports of HCFCs by 1 January 2025. The Government of Saint Vincent and the Grenadines, UNEP and UNIDO were requested to submit a report on the progress made in improving the licensing and quota system and strengthening the Customs' capacity for import control to the 88th meeting; and UNEP was requested to submit a detailed report on the results of the end-user replacement demonstration project once it is completed, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d). Approved on the understanding that the funding for the final tranche of the HPMP will be subject to the effective operation of the HCFC licensing and quota system to control HCFCs.</i>						
Total for Saint Vincent and the Grenadines			\$103,000	\$13,390	\$116,390	
SAMOA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP	0.1	\$195,950	\$25,474	\$221,424	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 2.99 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
Total for Samoa			0.1	\$195,950	\$25,474	\$221,424

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SAUDI ARABIA						
REFRIGERATION						
Air conditioning						
Preparation of a HCFC phase-out management plan (stage II) (air-conditioning)	UNIDO		\$150,000	\$10,500	\$160,500	
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (stage II)	UNEP		\$45,000	\$5,850	\$50,850	
Preparation of a HCFC phase-out management plan (stage II)	UNIDO		\$45,000	\$3,150	\$48,150	
Total for Saudi Arabia			\$240,000	\$19,500	\$259,500	
SIERRA LEONE						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Sierra Leone			\$30,000	\$3,900	\$33,900	
SOLOMON ISLANDS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP	1.1	\$271,250	\$35,263	\$306,513	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 22.78 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
Total for Solomon Islands			1.1	\$271,250	\$35,263	\$306,513

* HCFC in ODP tonnes. HFC in metric tonnes

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	

SRI LANKA**PHASE-OUT PLAN****HCFC phase out plan**

HCFC phase-out management plan (stage II, first tranche)	UNDP		\$216,200	\$15,134	\$231,334	
--	------	--	-----------	----------	-----------	--

Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 9.14 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. UNDP was requested to submit the revised verification report on the HCFC consumption for Sri Lanka for 2016-2019 to the Secretariat no later than 15 January 2021. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period. Approved on the understanding that the approved funds would not be transferred to UNDP and UNEP until the Secretariat had reviewed the revised verification report of HCFC consumption for 2016-2019 and confirmed that the Government was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee for stage I of the HPMP, and in the event of non-compliance, relevant actions would be taken by the Executive Committee at its postponed 86th meeting.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 9.14 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. UNDP was requested to submit the revised verification report on the HCFC consumption for Sri Lanka for 2016-2019 to the Secretariat no later than 15 January 2021. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period. Approved on the understanding that the approved funds would not be transferred to UNDP and UNEP until the Secretariat had reviewed the revised verification report of HCFC consumption for 2016-2019 and confirmed that the Government was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee for stage I of the HPMP, and in the event of non-compliance, relevant actions would be taken by the Executive Committee at its postponed 86th meeting.</i></p>	UNEP		\$200,800	\$26,104	\$226,904	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XIII: 1/2021-12/2022)	UNDP		\$171,592	\$12,011	\$183,603	
	Total for Sri Lanka		\$588,592	\$53,249	\$641,841	
SUDAN						
REFRIGERATION						
Air conditioning						
Preparation for conversion of R-410a to R-290 in the manufacture of air-conditioning units at J.M. Group/Mina factory	UNIDO		\$30,000	\$2,100	\$32,100	
<i>Further approved, on an exceptional basis, with an extension for the submission of the full proposal for the project for conversion of R-410a to R-290 in the manufacture of air-conditioning units at J.M. Group/Mina factory, to the 88th meeting, given that the project proposal could not be submitted by the submission deadline established for the 87th meeting.</i>						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (stage III)	UNIDO		\$30,000	\$2,100	\$32,100	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, third tranche) <i>The Government of the Sudan and UNIDO were requested to submit a progress report on the implementation of the work programme associated with the final tranche to the first meeting of the Executive Committee in 2022; and UNIDO was requested to submit a detailed report on the results of the demonstration project to promote the conversion of air-conditioning systems to R-290 once completed, to allow the Secretariat to develop fact sheets to inform future projects, in line with decision 84/84(d).</i>	UNIDO		\$36,716	\$2,570	\$39,286	
	Total for Sudan		\$96,716	\$6,770	\$103,486	
SURINAME						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan <i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>	UNEP		\$30,000	\$3,900	\$33,900	
	Total for Suriname		\$123,866	\$3,900	\$127,766	

* HCFC in ODP tonnes. HFC in metric tonnes

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SYRIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNIDO	10.1	\$351,608	\$24,613	\$376,221	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2020 to 2025 to reduce HCFC consumption by 67.5 per cent of the country's baseline. Noted that the total funding for stage I of the HPMP for the Syrian Arab Republic amounted to US \$3,026,245, plus agency support costs of US \$277,535, which also included US\$1,465,361, plus agency support costs of US\$109,902 for UNIDO, for an investment project for the phase-out of 12.88 ODP tonnes of HCFCs from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels, approved at the 62nd meeting; noted that the revised starting point for sustained aggregate reduction in HCFC consumption was 135.03 ODP tonnes, calculated using actual consumption of 147.22 ODP tonnes and 122.83 ODP tonnes reported under Article 7 of the Montreal Protocol for 2009 and 2010, respectively. Noted the deduction of 12.88 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the aforementioned investment project, and deducted a further 16.98 ODP tonnes of HCFCs for the implementation of stage I of the HPMP. Allowed the submission of investment projects during the implementation of stage I of the HPMP to phase out consumption in the manufacturing sector prior to 31 December 2023, on the understanding that the eligibility of the consumption associated with the investment projects would be reviewed upon the submission and the remaining consumption eligible for funding would be adjusted accordingly.</i></p>						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$238,428	\$28,199	\$266,627	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2020 to 2025 to reduce HCFC consumption by 67.5 per cent of the country's baseline. Noted that the total funding for stage I of the HPMP for the Syrian Arab Republic amounted to US \$3,026,245, plus agency support costs of US \$277,535, which also included US\$1,465,361, plus agency support costs of US\$109,902 for UNIDO, for an investment project for the phase-out of 12.88 ODP tonnes of HCFCs from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels, approved at the 62nd meeting; noted that the revised starting point for sustained aggregate reduction in HCFC consumption was 135.03 ODP tonnes, calculated using actual consumption of 147.22 ODP tonnes and 122.83 ODP tonnes reported under Article 7 of the Montreal Protocol for 2009 and 2010, respectively. Noted the deduction of 12.88 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the aforementioned investment project, and deducted a further 16.98 ODP tonnes of HCFCs for the implementation of stage I of the HPMP. Allowed the submission of investment projects during the implementation of stage I of the HPMP to phase out consumption in the manufacturing sector prior to 31 December 2023, on the understanding that the eligibility of the consumption associated with the investment projects would be reviewed upon the submission and the remaining consumption eligible for funding would be adjusted accordingly.</i></p>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Syria		10.1	\$590,036	\$52,812	\$642,848	
TIMOR LESTE						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of the HCFC phase-out management plan	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that the verification report should be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for its HPMP is being sought.</i>						
Total for Timor Leste			\$30,000	\$3,900	\$33,900	
TONGA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP	0.1	\$197,050	\$25,617	\$222,667	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 1.66 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
Total for Tonga		0.1	\$197,050	\$25,617	\$222,667	

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
TRINIDAD AND TOBAGO						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNDP		\$498,756	\$34,913	\$533,669	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 38 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025, 97.5 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030–2040 where required, and consistent with the provisions of the Montreal Protocol; and further noted that the Government would implement regulations to prohibit import of components for HCFC-based equipment by 1 January 2025, after necessary national consultations. Deducted 28.30 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and if Trinidad and Tobago intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement covering the period beyond 2030.</i>						
HCFC phase-out management plan (stage I, fifth tranche)	UNDP		\$88,000	\$6,600	\$94,600	
<i>The Government of Trinidad and Tobago and UNDP were requested to submit a progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2022.</i>						
Total for Trinidad and Tobago			\$586,756	\$41,513	\$628,269	
TURKMENISTAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNIDO		\$165,000	\$11,550	\$176,550	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2020 to 2025 to reduce HCFC consumption by 67.5 per cent of the country's baseline. Deducted 2.21 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V: UNIDO 1/2021-12/2022)			\$98,560	\$6,899	\$105,459	
Total for Turkmenistan			\$263,560	\$18,449	\$282,009	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
TUVALU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP	0.1	\$76,450	\$9,939	\$86,389	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 1.07 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
	Total for Tuvalu	0.1	\$76,450	\$9,939	\$86,389	
UGANDA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$60,000	\$7,800	\$67,800	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 50 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; further noted that the Government would implement regulations to prohibit import and sale of HCFC based equipment by 1 January 2024 and enforce national standards for refrigeration and air-conditioning equipment using energy efficient low-GWP technologies from 1 January 2024, after necessary national consultations. Deducted 0.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 50 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030–2040 where required, and consistent with the provisions of the Montreal Protocol; further noted that the Government would implement regulations to prohibit import and sale of HCFC based equipment by 1 January 2024 and enforce national standards for refrigeration and air-conditioning equipment using energy efficient low-GWP technologies from 1 January 2024, after necessary national consultations. Deducted 0.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>	UNIDO		\$63,000	\$5,670	\$68,670	
Total for Uganda			\$123,000	\$13,470	\$136,470	
URUGUAY						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage III, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 97.5 per cent of the country's baseline by 1 January 2028 and completely phase out HCFCs by 1 January 2030, after which date HCFCs would not be imported, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 13.43 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and if Uruguay intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement covering the period beyond 2030.</i></p>	UNDP		\$350,601	\$24,542	\$375,143	
Total for Uruguay			\$350,601	\$24,542	\$375,143	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
VANUATU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP	0.2	\$212,100	\$27,573	\$239,673	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 3.32 metric tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i>						
	Total for Vanuatu	0.2	\$212,100	\$27,573	\$239,673	
VIETNAM						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XIII: 7/2021-6/2023)	UNEP		\$152,289	\$0	\$152,289	
	Total for Vietnam		\$152,289		\$152,289	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ZAMBIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNIDO	0.3	\$50,000	\$4,500	\$54,500	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2025; and to reduce HCFC consumption by 50 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025, and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 3.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.5	\$100,000	\$13,000	\$113,000	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2025; and to reduce HCFC consumption by 50 per cent of the country's baseline by 1 January 2021, 67.5 per cent by 1 January 2025, and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 3.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
Total for Zambia		0.8	\$150,000	\$17,500	\$167,500	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ZIMBABWE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$150,000	\$18,844	\$168,844	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government of Zimbabwe to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 11.57 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government of Zimbabwe should submit: (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and (ii) The expected annual HCFC consumption in Zimbabwe for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNDP		\$100,000	\$7,000	\$107,000	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption and on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 11.57 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption for the 2030-2040 period.</i></p>						
HCFC phase-out management plan (stage I, fifth tranche)	Germany		\$56,000	\$6,699	\$62,699	
Total for Zimbabwe			\$306,000	\$32,543	\$338,543	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
REGION: ASP						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	UNEP		\$280,000	\$34,367	\$314,367	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 2.17 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of the HPMP, the Governments of the 12 PICs should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption in each of the 12 PICs for the 2030-2040 period.</i>						
HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	Australia		\$375,000	\$48,603	\$423,603	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2020 to 2030 for the complete phase-out of HCFC consumption. Noted the commitment of the Government to completely phase out HCFCs by 1 January 2030 and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol. Deducted 2.17 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. the Governments of the 12 PICs should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and the expected annual HCFC consumption in each of the 12 PICs for the 2030-2040 period.</i>						
Total for Region: ASP			\$655,000	\$82,970	\$737,970	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GLOBAL						
SEVERAL						
Agency programme						
Compliance Assistance Programme: 2021 budget	UNEP		\$9,974,000	\$797,920	\$10,771,920	
<i>UNEP was requested in future submissions of the CAP budget, to continue providing detailed information on the activities for which the global funds would be used; extending the prioritization of funding between CAP budget lines so as to accommodate changing priorities, and to provide details, pursuant to decisions 47/24 and 50/26, on the reallocations made; reporting on the current post levels of staff and informing the Executive Committee of any changes thereto, particularly with respect to any increased budget allocations; and providing a budget for the year in question, and a report on the costs incurred in the year prior to the last year, noting above.</i>						
Core unit budget (2021)	IBRD		\$0	\$1,735,000	\$1,735,000	
<i>Noted that the funding level could be adjusted based on the outcomes of discussion of the analysis of the administrative cost regime and core unit funding at the 86th meeting.</i>						
Core unit budget (2021)	UNDP		\$0	\$2,113,148	\$2,113,148	
<i>Noted that the funding level could be adjusted based on the outcomes of discussion of the analysis of the administrative cost regime and core unit funding at the 86th meeting.</i>						
Core unit budget (2021)	UNIDO		\$0	\$2,022,000	\$2,022,000	
<i>Noted that the funding level could be adjusted based on the outcomes of discussion of the analysis of the administrative cost regime and core unit funding at the 86th meeting.</i>						
Total for Global			\$9,974,000	\$6,668,068	\$16,642,068	
GRAND TOTAL		308.4	\$43,303,601	\$9,410,665	\$52,714,266	

Summary

UNEP/OzL.Pro/ExCom/86/100
Annex XV

Sector	Tonnes (ODP/Metric)	Funds approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Phase-out plan	29.9	\$4,002,467	\$460,673	\$4,463,140
TOTAL:		\$4,002,467	\$460,673	\$4,463,140
INVESTMENT PROJECT				
Production		\$483,058	\$33,814	\$516,872
Phase-out plan	278.5	\$23,938,439	\$1,972,872	\$25,911,311
TOTAL:		\$24,421,497	\$2,006,686	\$26,428,183
WORK PROGRAMME AMENDMENT				
Refrigeration		\$180,000	\$12,600	\$192,600
Phase-out plan		\$780,000	\$87,600	\$867,600
Several		\$13,919,637	\$6,843,106	\$20,762,743
TOTAL:		\$14,879,637	\$6,943,306	\$21,822,943
Summary by Parties and Implementing Agencies				
Australia		\$375,000	\$48,603	\$423,603
France		\$616,500	\$71,310	\$687,810
Germany	29.9	\$2,900,967	\$326,460	\$3,227,427
Japan		\$110,000	\$14,300	\$124,300
IBRD			\$1,735,000	\$1,735,000
UNDP	246.3	\$18,284,591	\$3,400,696	\$21,685,287
UNEP	9.7	\$16,837,508	\$1,491,388	\$18,328,896
UNIDO	22.6	\$4,179,035	\$2,322,908	\$6,501,943
GRAND TOTAL (HCFCs and HFCs)	308.4	\$43,303,601	\$9,410,665	\$52,714,266

Balances on projects returned at the 86th meeting

Agency	Project costs (US \$)	Support costs (US \$)	Total (US \$)
Japan* (decision 86/4(a)(iv))	126	16	142
UNDP (decisions 86/4(a)(ii) and 86/90(b)(iii))	4,818,275	340,294	5,158,569
UNEP (decisions 86/4(a)(ii), 86/16(c) and 86/61(b))	1,790,679	147,002	1,937,681
UNIDO (decisions 86/4(a)(ii) and 86/89(a)(iv)a.	1,539,002	109,706	1,648,708
World Bank (decisions 86/4(a)(ii))	108,881	52,061	160,942
Total	8,256,963	649,079	8,906,042

*Cash transfer.

Interest accrued, exchange rate gains and income from investment

Agency	Amount (US \$)	Remarks
UNDP (decision 86/6(b)(i))	1,302,751	Account reconciliation – Interest
UNEP (decision 86/6(b)(ii))	1,544,588	Account reconciliation - Interest and exchange rate gain
World Bank (decision 86/6(b)(iii))	1,930,263	Account reconciliation - Income from investment
World Bank (decision 86/6(b)(iii))	4,436,475	Account reconciliation - Funds returned from the 83 rd and 84 th meetings
UNIDO (decision 86/32(a))	5,665	Interest - China - HPMP (stages I and II - foam XPS)
World Bank (decision 86/32(b))	3,879	Interest - China - HPMP (stages I and II - foam PU)
UNDP (decision 86/32(c))	86,874	Interest - China - HPMP (stages I and II – refrigeration ICR)
UNIDO (decision 86/32(d))	26,213	Interest - China - HPMP (stages I and II - refrigeration RAC)
UNEP (decision 86/32(e))	7,472	Interest - China - HPMP (stages I and II - refrigeration servicing)
UNDP (decision 86/32(f))	891	Interest - China - HPMP (stage II – solvent)

Penalty

Agency	Project costs (US \$)	Support costs (US \$)	Total (US \$)
UNDP (decision 86/42(c))	6,270	470	6,740
UNEP (decision 86/42(c))	4,180	543	4,723

Net allocations based on decisions of the 86th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
Australia	375,000	48,603	423,603
France	616,500	71,310	687,810
Germany	2,900,967	326,460	3,227,427
Japan	110,000	14,300	124,300
UNDP	12,069,530	3,059,932	15,129,462
UNEP	13,490,589	1,343,843	14,834,432
UNIDO	2,608,155	2,213,202	4,821,357
World Bank*	0	0	0
Total	32,170,741	7,077,650	39,248,391

* US \$4,796,559 will be offset against the approvals at the 87th meeting due to excess of returns over approvals at 86th meeting.

Annex XVI

UPDATED REVISED AGREEMENT BETWEEN THE GOVERNMENT OF FIJI 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 Fiji (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 3.72 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16. This updated revised Agreement supersedes the Agreement reached between the Government of Fiji and the Executive Committee at the 73rd 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	5.73
HCFC-142b	C	I	0.04
Total			5.77

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	N/A	N/A	5.73	5.73	5.16	5.16	5.16	5.16	5.16	3.72	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	N/A	N/A	5.73	5.73	5.16	5.16	5.16	5.16	5.16	3.72	N/A
2.1	Lead IA (UNDP) agreed funding (US \$)	71,800	0	0	37,900	0	59,850	0	0	0	19,950	189,500
2.2	Support costs for Lead IA (US \$)	6,462	0	0	3,411	0	5,387	0	0	0	1,795	17,055
2.3	Cooperating IA (UNEP) agreed funding (US \$)	47,900	0	0	24,400	0	41,650	0	0	0	11,550	125,500
2.4	Support costs for cooperating IA (US \$)	6,227	0	0	3,172	0	5,415	0	0	0	1,502	16,315
3.1	Total agreed funding (US \$)	119,700	0	0	62,300	0	101,500	0	0	0	31,500	315,000
3.2	Total support costs (US \$)	12,689	0	0	6,583	0	10,802	0	0	0	3,297	33,370
3.3	Total agreed costs (US \$)	132,389	0	0	68,883	0	112,302	0	0	0	34,797	348,370
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											1.98
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)											-
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)											3.75
4.2.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)											0.04
4.2.2	Phase-out of HCFC-142b to be achieved through previously approved projects (ODP tonnes)											-
4.2.3	Remaining eligible consumption of HCFC-142b (ODP tonnes)											0.00

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

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

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

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

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The overall monitoring will be the responsibility of the National Ozone Unit (NOU).
2. The consumption will be monitored based on cross-checking the data collected from relevant government departments with data collected, as required, from the relevant importers, distributors and consumers.
3. The NOU will also be responsible for reporting and shall submit the following reports in a timely manner:
 - (a) Annual reports on consumption of substances to be submitted to the Ozone Secretariat;
 - (b) Annual reports on progress of implementation of this Agreement to be submitted to the Executive Committee of the Multilateral Fund; and
 - (c) Project-related reports to the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

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

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

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

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

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

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

Annex XVII

**REVISED UPDATED AGREEMENT BETWEEN NORTH MACEDONIA 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 North Macedonia 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 reduction to 1.17 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. 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 as the final reduction step under this agreement for all ODS specified in Appendix 1-A, and in respect to any consumption of each of the substances which exceeds the level defined in 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 implementing agency (IA) of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved when an 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 has substantially completed all actions set out in the previous tranche implementation plan and submitted a tranche implementation report in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) for each previous calendar year; and
 - (d) That the Country has submitted and received endorsement from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) for 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 that monitoring in accordance with the 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. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, 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 goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next tranche implementation plan and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved tranche implementation plan, under implementation at the time, and reported to the Executive Committee in the tranche implementation report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

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

- (a) Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) Country and the implementing agencies 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 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 with the fees set out in row 2.2 of Appendix 2-A.

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

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

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

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the plan and its subsequent revisions as per sub-paragraph 5(d), 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 revised updated Agreement supersedes the Agreement reached between the Government of North Macedonia and the Executive Committee at the 67th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.8
HCFC-141b contained in imported pre-blended polyols			1.55
Total			3.35

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	1.80	1.80	1.62	1.62	1.62	1.62	1.62	1.17	1.17	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	1.80	1.80	1.62	1.53	1.44	1.35	1.26	1.17	1.17	n/a	
2.1	Lead IA (UNIDO) agreed funding (US \$)	15,000	107,000	294,955	148,000	82,000	82,000	0	82,000	101,000*	75,000	75,000	75,000	1,136,955	
2.2	Support costs for Lead IA (US \$)	1,125	8,025	22,122	11,100	6,150	6,150	0	6,150	7,575	5,625	5,625	5,625	85,272	
3.1	Total agreed funding (US \$)	15,000	107,000	294,955	148,000	82,000	82,000	0	82,000	101,000	75,000	75,000	75,000	1,136,955	
3.2	Total support cost	1,125	8,025	22,122	11,100	6,150	6,150	0	6,150	7,575	5,625	5,625	5,625	85,272	
3.3	Total agreed costs (US \$)	16,125	115,025	317,077	159,100	88,150	88,150	0	88,150	108,575	80,625	80,625	80,625	1,222,227	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)														0.63
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)														0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)														1.17
4.2.1	Total phase-out of HCFC-141b contained in imported pre-blended polyol agreed to be achieved under this agreement (ODP tonnes)														1.55
4.2.2	Phase-out of HCFC-141b contained in imported pre-blended polyol to be achieved in previously approved projects (ODP tonnes)														0
4.2.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyol (ODP tonnes)														0

* Funding updated to reflect the return of US \$30,000, plus agency support costs of US \$2,250 due to Sileks withdrawing from the project (decision 83/26)

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent local company or to independent local consultants by UNIDO.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the tranche Implementation Plan and subsequent report as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future tranche implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (j) Providing assistance with policy, management and technical support when required.

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$50,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XVIII

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWAL OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 86th MEETING

Armenia

1. The Executive Committee reviewed the renewal of the institutional strengthening project for Armenia (phase VII) and noted with appreciation that Armenia had reported country programme data to the Fund Secretariat and data under Article 7 to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee further noted that Armenia reviewed ODS regulations and improved control of HCFCs; finalized activities under stage II of the HCFC phase-out management plan and coordinated preparation of stage III; and raised public awareness on the Montreal Protocol. The Executive Committee is, therefore, confident that the Government of Armenia will continue implementing activities to enable the country to comply with the Montreal Protocol targets. The Committee also noted with appreciation the ratification of the Kigali Amendment by Armenia on 2 May 2019 and the steps undertaken to meet the initial obligations under the Amendment.

Brazil

2. The Executive Committee reviewed the report presented with the request for renewal of the institutional strengthening (IS) project for Brazil (phase IX) and noted with appreciation that the country reported country programme implementation data to the Fund Secretariat and Article 7 data to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee further noted that the Government of Brazil has taken steps to phase out ODS consumption, in particular the implementation of a ban on the use of HCFC-141b in the foam sector that entered into effect 1 January 2020, and the continued implementation of activities under its HCFC phase-out management plan (HPMP) in both the manufacturing and servicing sectors. The Executive Committee is, therefore, confident that the Government of Brazil will continue implementation of stage II of the HPMP and IS project activities with success in order to achieve the reduction targets set in its HPMP Agreement with the Executive Committee.

Brunei Darussalam

3. The Executive Committee reviewed the report presented with the request for renewal of the institutional strengthening (IS) project for Brunei Darussalam (phase VII) and noted with appreciation that the country reported 2018 and 2019 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that the country maintains an operational licensing and quota system for HCFC import and export control and has strengthened the enforcement of the ODS regulation. The Committee acknowledged with appreciation that while the ratification of the Kigali Amendment is being processed, the amendment of the existing regulation to include HFC import and export control is at the final stage prior to enactment. The Executive Committee is, therefore, confident that the Government of Brunei Darussalam will continue implementing its HCFC phase-out activities, enabling activities for HFC phase-down and IS project in a timely and effective manner to enable the country to achieve and sustain compliance with the Montreal Protocol targets.

Cabo Verde

4. The Executive Committee reviewed the report presented with the request for renewal of the institutional strengthening (IS) project for Cabo Verde (phase VII) and noted with appreciation that Cabo Verde has reported 2018 and 2019 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that an operational ODS import/export licensing and HCFC quota system is in place, that activities of the HCFC phase-out management plan (HPMP) were implemented in a coordinated manner and that the process for the ratification of the Kigali Amendment was initiated. The

Executive Committee is, therefore, confident that the Government of Cabo Verde will continue implementing its HPMP, enabling activities for HFC phase-down and IS project in a timely and effective manner to enable the country to achieve and sustain its compliance with the Montreal Protocol targets.

Dominican Republic (the)

5. The Executive Committee reviewed the report presented with the request for renewal of the institutional strengthening (IS) project for the Dominican Republic (phase XI) and noted with appreciation that the Dominican Republic has complied with its Article 7 data reporting and HCFC phase-out obligations under the Montreal Protocol, and that an operational ODS import/export licensing and HCFC quota system is in place. The Executive Committee further noted that the Dominican Republic submitted the 2018 and 2019 country programme implementation data to the Fund Secretariat in a timely manner. The Executive Committee acknowledged that the country has implemented the programmed activities under its HCFC phase-out management plan (HPMP), gained stakeholders' support through steering committee and consultation meetings, and raised the public awareness on ozone layer protection. The Executive Committee is, therefore, confident that the Dominican Republic will continue implementing its HPMP and IS project in a timely and effective manner to enable the country to meet the 67.5 per cent reduction by 1 January 2025.

Egypt

6. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Egypt (phase XIII) and noted with appreciation that Egypt had reported country programme data to the Fund Secretariat and data under Article 7 to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee further noted that Egypt had taken steps to phase out HCFC consumption, including in cooperation with customs authorities, implementing polices issued by the National Ozone Committee and strict monitoring of HCFC trade through enforcing and strengthening the ODS regulatory framework. The Committee acknowledged the efforts of Egypt to implement stage II of the HCFC phase-out management plan and that the ratification of the Kigali Amendment was approved by the relevant ministries. The Executive Committee is, therefore, confident that the Government of Egypt will continue implementing activities to enable the country to comply with the Montreal Protocol targets, and that it will deposit its instrument of ratification of the Kigali Amendment in the near future.

Ethiopia

7. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Ethiopia (phase VIII) and noted with appreciation that Ethiopia has reported 2018 and 2019 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee acknowledged that Ethiopia continued to implement its HCFC import and export licensing and HCFC quota system; carried out training for refrigeration technicians and customs officers; developed and organized public awareness activities. The Executive Committee is, therefore, confident that the Government of Ethiopia will continue implementing activities to enable the country to comply with the obligations under the Montreal Protocol. The Committee also noted with appreciation the ratification of the Kigali Amendment by Ethiopia on 5 July 2019 and the steps undertaken to meet the initial obligations under the Amendment.

Fiji

8. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Fiji (phase XI) and noted with appreciation that Fiji has reported 2018 and 2019 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with Montreal Protocol. The Committee acknowledged that Fiji continued to implement its HCFC licensing and quota system and its HPMP in an efficient and timely manner, continued its efforts in to reviewing the ODS laws to include the

control of HFC and HFC blends; implemented capacity building for customs and RAC technicians; inspected for compliance with regulations; and organized awareness and outreach activities. The Executive Committee is, therefore, confident that the Government of Fiji will continue implementing activities to enable the country to compliance with the Montreal Protocol targets. The Committee also noted with appreciation the ratification of the Kigali Amendment by Fiji on 16 June 2020 and the steps undertaken to meet the initial obligations under the Amendment.

Ghana

9. The Executive Committee reviewed the request for the renewal of the institutional strengthening project for Ghana (phase XIV) and noted with appreciation that Ghana has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee acknowledged that Ghana continued to implement its HCFC licensing and quota system and ensure compliance with regulations through inspection; and to implement efficiently and timely its HCFC phase-out management plan including capacity building for customs officers and refrigeration technicians, and awareness and outreach activities. The Executive Committee is, therefore, confident that the Government of Ghana will continue implementing activities to enable the country to comply with the Montreal Protocol targets. The Committee also noted with appreciation the ratification of the Kigali Amendment by Ghana on 2 August 2019 and the steps undertaken to meet the initial obligations under the Amendment including the review of laws to include the control of HFC and HFC blends.

Iran (Islamic Republic of)

10. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project for the Islamic Republic of Iran (phase XIII) and noted with appreciation that the country has reported 2018 and 2019 CP data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating its compliance with the Montreal Protocol. The Committee also noted that the Government continued to work with relevant stakeholders to manage and monitor the consumption of ODS, has taken actions to sustain the zero consumption of ODS already phased out, and has established an HCFC licensing and quota systems that allows compliance with the HCFC phase-out schedule. The Committee acknowledged the efforts of the Government and is, therefore, confident that the Government of the Islamic Republic of Iran will continue implementing its HCFC phase-out management plan and IS project in a timely and effective manner to enable the country to meet the 75 per cent reduction by 1 January 2023, in accordance with its Agreement with the Committee for stage II of the HPMP.

Kenya

11. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Kenya (phase XII) and noted with appreciation that Kenya reported 2018 and 2019 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee noted that Kenya has taken steps to phase out its consumption of ODS in the reporting period, including ensuring implementation of ODS regulations through the enforcement of HCFC licensing and quota system; training of technicians on good servicing practices; and embarking on public awareness programmes. The Executive Committee is, therefore, confident that the Government of Kenya will continue implementing activities to enable the country to comply with the Montreal Protocol targets.

Kyrgyzstan

12. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Kyrgyzstan (phase IX) and noted with appreciation that Kyrgyzstan has reported 2019 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country has met the phase-out provisions of the

Montreal Protocol and its Agreement with the Executive Committee. The Executive Committee is, therefore, confident that Kyrgyzstan will continue the implementation of stage II of the HPMP with success and to achieve and sustain the complete the HCFC phase-out as specified in its Agreement with the Executive Committee. The Committee also noted with appreciation the ratification of the Kigali Amendment by Kyrgyzstan on 8 September 2020 and the steps undertaken to meet the initial obligations under the Amendment including to start preparing an HFC phase-down strategy.

Lebanon

13. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Lebanon (phase XII) and noted with appreciation that Lebanon has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with Montreal Protocol. The Committee acknowledged that Lebanon continued to implement its HCFC licensing and quota system and ensure compliance with regulations through inspection; and to implement efficiently and timely its HCFC phase-out management plan including capacity building for customs officers and refrigeration technicians, and awareness and outreach activities. The Executive Committee is, therefore, confident that the Government of Lebanon will continue implementing activities to enable the country to comply with the Montreal Protocol targets. The Committee also noted with appreciation the ratification of the Kigali Amendment by Lebanon on 5 February 2020 and the steps undertaken to meet the initial obligations under the Amendment including the review of the laws to include the control of HFC and HFC blends.

Mauritania

14. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project for Mauritania (phase VII) and noted with appreciation that Mauritania has reported 2019 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee further noted that Mauritania has taken steps to phase out its HCFC consumption through enforcing an operational licensing and quota system, and is, therefore, hopeful that, within the next two years, Mauritania will continue the implementation of its HCFC phase-out management plan and IS project to achieve and sustain compliance with the Montreal Protocol obligations.

Mexico

15. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project for Mexico (phase XV) and noted with appreciation that the country met its country programme and Article 7 data reporting obligations for 2018 and 2019, and that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that within the framework of the IS project, Mexico strengthened the capacity of the national ozone unit to control HCFCs and to prepare for the implementation of the Kigali Amendment. The Executive Committee acknowledged the efforts of Mexico to implement its HCFC phase-out management plan (HPMP) and is, therefore, confident that Mexico will continue activities both at the policy and project levels to reduce HCFC consumption following its HPMP Agreement with the Executive Committee. Executive Committee reviewed the report presented with the request for the renewal of the institutional

Nauru

16. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project for Nauru (phase VI) and noted with appreciation that Nauru has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee noted that despite the delays in implementation of phase V, Nauru has taken steps to sustain ODS phase-out achievements by establishing the Ozone Layer Protection Act 2017 and preparing the subsidiary regulation. The Committee acknowledged the efforts of Nauru to reduce the consumption of

HCFCs and prepare for the HFC phase-down, and is, therefore, confident that, within the next two years, Nauru will continue with the effective implementation of stage I and stage II of the HPMP, enabling activities for HFC phase-down and the IS project to enable the country to meet and sustain the Montreal Protocol targets, and to ratify the Kigali Amendment in the near future.

Nicaragua

17. The Executive Committee reviewed the report presented with the request for the renewal of the IS project for Nicaragua (phase IX) and noted with appreciation that Nicaragua has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that an operational import/export licensing and quota system is in place, and that the country has trained refrigeration technicians, and customs officers on prevention of illegal trade of ODS; conducted consultation meetings with stakeholders and Steering Committee; raised public awareness on ozone protection and continued the process to ratify the Kigali Amendment. The Executive Committee is, therefore, confident that Nicaragua will continue implementing its HPMP and IS project in a timely and effective manner to enable the country to meet the 67.5 per cent reduction by 1 January 2025.

Nigeria

18. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Nigeria (phase XI) and noted with appreciation that Nigeria has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with Montreal Protocol. The Committee acknowledged that Nigeria continued to implement its HCFC licensing and quota system and ensure compliance with regulations; to implement efficiently and timely its HCFC phase-out management plan; and to organize awareness and outreach activities. The Executive Committee is, therefore, confident that the Government of Nigeria will continue implementing activities to enable the country to comply with the Montreal Protocol targets. The Committee also noted with appreciation the ratification of the Kigali Amendment by Nigeria on 20 December 2018 and the steps undertaken to meet the initial obligations under the Amendment including the review of the laws to include the control of HFC and HFC blends.

Oman

19. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Oman (phase VIII) and noted with appreciation that Oman had reported country programme data to the Fund Secretariat and data under Article 7 to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that Oman re-established its National Ozone Committee, which, in cooperation with the customs authorities continued to monitoring of HCFC trade including allocation of HCFC import quotas. The Executive Committee acknowledge the efforts of Oman to implement stage II of the HCFC phase-out management plan and to prepare stage III as well as to implement enabling activities for the HFC phase-down. The Executive Committee is, therefore, confident that the Government of Oman will continue implementing activities to enable the country to comply with the Montreal Protocol targets, and that it will deposit its instrument of ratification of the Kigali Amendment in the near future.

Saint Lucia

20. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project for Saint Lucia (phase XI) and noted with appreciation that Saint Lucia has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that Saint Lucia has an operational licensing and quota system, that its HCFC phase-out management plan (HPMP) is being effectively implemented and mainstreamed into the national planning process, and that the country has taken steps to initiate the ratification of the Kigali

Amendment. The Executive Committee is, therefore, confident that the Government of Saint Lucia will continue activities both at the policy and project levels to ensure that its annual HCFC consumption will not exceed the maximum allowable consumption in its HPMP Agreement with the Executive Committee, and that the country will ratify the Kigali Amendment in the near future.

Sri Lanka

21. The Executive Committee reviewed the report presented with the request for renewal of institutional strengthening (IS) project for Sri Lanka (phase XIII) and noted with appreciation that the country reported 2018 and 2019 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that the country strengthened the enforcement of ODS trade control including its licensing and quota system, and implemented activities of the HCFC phase-out management plan (HPMP) in a coordinated manner. The Committee acknowledged with appreciation that Sri Lanka ratified the Kigali Amendment in 2018 and that it will be formulating a strategy for its implementation. The Executive Committee is, therefore, confident that the Government of Sri Lanka will continue implementing HPMP activities including completion of the verification process, enabling activities for the HFC phase-down and IS project in a timely and effective manner to enable the country to achieve and sustain its compliance with the Montreal Protocol targets.

Suriname

22. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project for Suriname (phase VII) and noted with appreciation that Suriname has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that Suriname has an operational import/export licensing and quota system in place and is transitioning to an electronic licensing system. The Committee acknowledged the efforts of Suriname to implement its HCFC phase-out management plan (HPMP) and to initiate the ratification of the Kigali Amendment. The Executive Committee is, therefore, confident that Suriname will continue implementing its HPMP and IS project in a timely and effective manner to enable the country to achieve and sustain the Montreal Protocol targets.

Turkmenistan

23. The Executive Committee reviewed the report presented with the request for renewal of the IS project for Turkmenistan (phase V) and noted with appreciation that the country continued the process to ratify the Kigali Amendment, amended the ODS law, maintains a robust licensing and quota system for HCFC, raised public awareness on ozone-layer protection, and reported 2018 and 2019 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with Montreal Protocol. The Executive Committee also noted the submission of stage II of the HPMP accompanied by the request of the IS renewal, and the approval of the last tranche for stage I of the HPMP. The Executive Committee is, therefore, confident that the Government of Turkmenistan will continue implementing activities to enable the country to comply with the Montreal Protocol targets.

Viet Nam

24. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project for Viet Nam (phase XIII) and noted with appreciation that Viet Nam has reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with Montreal Protocol. The Committee acknowledged that Viet Nam continued to implement its HCFC licensing and quota system and ensure compliance with regulations through inspection; and to implement efficiently and timely its HCFC phase-out management plan including training activities for customs and refrigeration technicians and

awareness and outreach activities. The Executive Committee is, therefore, confident that the Government of Viet Nam will continue implementing activities to enable the country to comply with the Montreal Protocol targets. The Committee also noted with appreciation the ratification of the Kigali Amendment by Viet Nam on 27 September 2019 and the steps undertaken to meet the initial obligations under the Amendment including reviewing the ODS laws to include the control of HFC and HFC blends.

Annex XIX

UNEP'S 2021 COMPLIANCE ASSISTANCE PROGRAMME (CAP) BUDGET

		Bud Ln	Component	Location	w/m	Grade	CAP 2020 Approved	CAP 2021 Approved
10	PROJECT PERSONNEL COMPONENT							
			Title/Description					
		1101	Head of Branch	Paris	12	D1	266,000	266,000
		1102	Senior Environment Officer - Network & Policy	Paris	12	P5	261,000	261,000
		1103	Montreal Protocol Senior Programme Management Officer - Capacity Building	Paris	12	P5	261,000	261,000
		1104	Montreal Protocol Programme Officer	Paris	12	P4	228,000	228,000
		1105	Montreal Protocol Senior Coordination Officer-ExCom	Paris	12	P5	261,000	261,000
		1106	Montreal Protocol Programme Officer - non ODS Help Desk	Paris	12	P3	191,000	191,000
		1107	Montreal Protocol Programme Officer	Paris	12	P3	191,000	191,000
		1108	ECA Montreal Protocol Regional Coordinator	Paris / ECA	12	P4	228,000	228,000
		1109	Montreal Protocol Coordinator International Partnerships	Paris	12	P5	268,000	268,000
		1121	ROAP Montreal Protocol Regional Senior Coordinator - Asia Pacific	Bangkok	12	P5	220,000	220,000
		1122	ROAP Montreal Protocol Regional Coordinator - SEAP + PICs	Bangkok	12	P4	193,000	193,000
		1123	ROAP Montreal Protocol Programme Officer	Bangkok	12	P4	193,000	193,000
		1124	ROAP Montreal Protocol Programme Officer (SEAP + PICs)	Bangkok	12	P3	156,000	156,000
		1125	ROAP Montreal Protocol Programme Officer - (SA-SEAP)	Bangkok	12	P3	156,000	156,000
		1131	ROWA Montreal Protocol Regional Coordinator (West Asia)	Manama	12	P4	222,000	222,000
		1132	ROWA Montreal Protocol Programme Officer	Manama	12	P3	214,000	214,000
		1141	ROA Montreal Protocol Regional Senior Coordinator (Francophone)	Nairobi	12	P5	245,000	245,000
		1142	ROA Montreal Protocol Regional Senior Coordinator (Anglophone)	Nairobi	12	P5	245,000	245,000
		1143	ROA Montreal Protocol Programme Officer (Anglophone)	Nairobi	12	P3	171,000	171,000
		1144	ROA Montreal Protocol Programme Officer (Francophone)	Nairobi	12	P3	171,000	171,000
		1145	ROA Montreal Protocol Associate Officer (Anglophone)	Nairobi	12	P2	101,000	101,000
		1146	ROA Montreal Protocol Associate Officer (Francophone)	Nairobi	12	P2	101,000	101,000
		1147	Montreal Protocol Programme Officer (Admin and Finance)	Nairobi/Law	12	P3	156,000	156,000
		1151	ROLAC Montreal Protocol Regional Coordinator (Latin America)	Panama	12	P4	194,000	194,000
		1152	ROLAC Montreal Protocol Regional Coordinator (Caribbean)	Panama	12	P4	194,000	194,000
		1153	ROLAC Montreal Protocol Information Manager	Panama	12	P4	194,000	194,000
		1154	ROLAC Montreal Protocol Programme Officer (Caribbean)	Panama	12	P3	165,000	165,000
		1155	ROLAC Montreal Protocol Programme Officer (Latin America)	Panama	12	P3	165,000	165,000
		1301	Principal Assistant HOB	Paris	12	G6	117,000	117,000

		Bud Ln	Component	Location	w/m	Grade	CAP 2020 Approved	CAP 2021 Approved
		1302	Programme Assistant - Regional Networks	Paris	12	G6	117,000	117,000
		1303	Programme Assistant (Clearinghouse)	Paris	12	G6	117,000	117,000
		1304	Programme Assistant	Paris /ECA	12	G5	105,000	105,000
		1305	Programme Assistant - Capacity Building/iPIC	Paris	12	G6	117,000	117,000
		1306	Programme Assistant	Paris	12	G5	104,000	104,000
		1307	Budget & Finance Assistant	Paris	12	G7	124,000	124,000
		1308	Temporary assistance CAP			N/A	54,000	54,000
		1321	ROAP Programme Assistant (SA)	Bangkok	12	G6	68,000	68,000
		1322	ROAP Programme Assistant (SEAP)	Bangkok	12	G5	55,000	55,000
		1323	ROAP Administrative Assistant	Bangkok	12	G7	76,000	76,000
		1332	ROWA Programme Assistant	Manama	12	G6	76,000	76,000
		1341	ROA Administrative Assistant	Nairobi	12	G7	61,000	61,000
		1342	Montreal Protocol Global Administrative Assistant	Nairobi/Law	12	G5	37,000	37,000
		1343	ROA Programme Assistant	Nairobi	12	G6	46,000	46,000
		1344	ROA Programme Assistant (Francophone)	Nairobi	12	G6	46,000	46,000
		1345	Montreal Protocol Global Administrative Assistant	Nairobi/Law	12	G5	37,000	37,000
		1351	ROLAC Administrative Assistant	Panama	12	G5	39,000	39,000
		1352	ROLAC Administrative Assistant	Panama	12	G7	62,000	62,000
			Subtotal Staff Personnel				7,069,000	7,069,000
	<i>1600</i>	TRAVEL						
		1601	Paris staff travel*	Paris			171,000	171,000
		1610	ECA staff travel	Paris / ECA			25,000	25,000
		1620	ROAP staff travel (SA)	Bangkok			33,000	33,000
		1621	ROAP staff travel (SEAP)	Bangkok			33,000	33,000
		1622	ROAP staff travel (PIC)	Bangkok			50,000	50,000
		1630	ROWA staff travel	Manama			45,000	45,000
		1640	ROA staff travel (Francophone)	Nairobi			60,500	60,500
		1641	ROA staff travel (Anglophone)	Nairobi			60,500	60,500
		1650	ROLAC staff travel (Caribbean)	Panama			35,000	35,000
		1651	ROLAC staff travel (Latin America)	Panama			35,000	35,000
			Subtotal Travel				548,000	548,000
20/30			REGIONAL ACTIVITIES					
			CONTRACT SERVICE COMPONENT					
		2210	ECA Network Thematic Meetings/South-South cooperation/Regional awareness raising	Paris / ECA			130,000	130,000
			Subtotal ECA				130,000	130,000
		2220	ROAP Network Thematic Meetings/South-South cooperation/Regional awareness raising (SA)	Bangkok			92,000	92,000
		2221	ROAP Network Thematic Meetings/South-South cooperation/Regional awareness raising (SEAP)	Bangkok			70,000	70,000
		2222	ROAP Network Thematic Meetings/South South Cooperation/Regional awareness raising (PIC)	Bangkok			105,000	105,000
			Subtotal ROAP				267,000	267,000

		Bud Ln	Component	Location	w/m	Grade	CAP 2020 Approved	CAP 2021 Approved	
		2230	ROWA Network Thematic Meetings/South-South cooperation/Regional awareness raising	Manama			100,000	100,000	
			Subtotal ROWA				100,000	100,000	
		2240	ROA Network Thematic Meetings/South-South cooperation/Regional awareness raising (Francophone)	Nairobi			175,000	175,000	
		2241	ROA Thematic Meetings/South-South cooperation/Regional awareness raising (Anglophone)	Nairobi			175,000	175,000	
			Subtotal ROA				350,000	350,000	
		2250	ROLAC Network Thematic Meetings/South-South cooperation/Regional awareness raising (Caribbean)	Panama			130,000	130,000	
		2251	ROLAC Network Thematic Meetings/South-South cooperation/Regional awareness raising (Latin America)	Panama			120,000	120,000	
			Subtotal ROLAC				250,000	250,000	
			Subtotal Regional activities				1,097,000	1,097,000	
GLOBAL SERVICES/ CAPACITY DEVELOPMENT PORTFOLIO									
		3210	NOO Training				50,000	50,000	
		3211	Policy & Technical Assistance				130,000	95,000	
		3212	Translation & Outreach				110,000	115,000	
		3213	Legal Framework post Kigali				0	0	
		3214	Refrigeration Servicing Sector Assistance				85,000	160,000	
		3215	Enforcement & Customs				130,000	85,000	
			Subtotal Global Services				505,000	505,000	
MEETINGS									
50		4210	Advisory and Consultative Meetings and Stakeholders Workshops (Emerging needs/Refrigeration Servicing Sector)	Paris/REGIONS			165,000	165,000	
			Subtotal Meetings				165,000	165,000	
			Subtotal Global Services/Meetings				670,000	670,000	
OFFICE OPERATIONS									
60		5210	Office Operations/Communication (equipment, rental, supplies & maintenance)	Paris			290,000	290,000	
		5220	Office Operations/Communication (equipment, rental, supplies & maintenance)	Regions			300,000	300,000	
			Subtotal Office Operations				590,000	590,000	
	99		TOTAL DIRECT PROJECT COST					9,974,000	9,974,000
			<i>Programme support costs (8%)</i>					797,920	797,920
90			GRAND TOTAL					10,771,920	10,771,920

*1601 Participation in meetings: Executive Committee, MOP/OEWG, Inter-Agency Coordination, Regional Network Meetings & outreach activities.

**3210 - 3215 activities & budget to be carried to 2022.

Note on all other Budget Lines unspent balances will be returned.

Annex XX

AGREEMENT BETWEEN THE GOVERNMENT OF THE SYRIAN ARAB REPUBLIC AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of the Syrian Arab Republic (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 43.88 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 (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 I 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 commits to examining the possibility of using pre-blended systems with low-global-warming potential 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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	60.50
HCFC-141b	C	I	67.71
HCFC-142b	C	I	6.82
Total			135.03

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2013-2014	2015-2019	2020	2021	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	135.03	121.52	87.77	87.77	87.77	87.77	87.77	43.88	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	135.03	121.52	87.77	87.77	87.77	87.77	87.77	43.88	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	0	0	0	238,428	0	418,100	0	398,200	154,548	1,209,276
2.2	Support costs for Lead IA (US \$)	0	0	0	28,199	0	49,448	0	47,095	18,278	143,020
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	1,465,361	0	0	351,608	0	0	0	0	0	1,816,969
2.4	Support costs for Cooperating IA (US \$)	109,902	0	0	24,613	0	0	0	0	0	134,515
3.1	Total agreed funding (US \$)	1,465,361	0	0	590,036	0	418,100	0	398,200	154,548	3,026,245
3.2	Total support costs (US \$)	109,902	0	0	52,812	0	49,448	0	47,095	18,278	277,535
3.3	Total agreed costs (US \$)	1,575,263*	0	0	642,848	0	467,548	0	445,295	172,826	3,303,780
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										16.45
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										4.98
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										39.07
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										0.43
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)										7.90
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										59.38
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)										0.10
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)										0.00
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)										6.72

*Approved at the 62nd meeting.

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) will be responsible for implementing, coordinating, monitoring and reporting progress on the activities under the HPMP including developing policy measures, conducting training programmes, providing technical assistance, and carrying out awareness-raising activities.
2. The project management unit (PMU) provides support to the NOU and acts as an independent verifier in the verification process (e.g., meetings with relevant stakeholders, data collection coordination, and inputs on review findings).
3. The PMU, under the supervision of the NOU, takes the role of coordinating non-governmental stakeholders or some Government department(s), industrial associations, research institutes, standards bureaus, training institutes, and statistics bureaus for the implementation of HPMP activities.
4. While the main responsibility for data gathering, analysis and reporting remains within the NOU, in some cases the PMU participates in collecting and analyzing consumption data pertaining to the controlled substances associated with HPMP implementation.

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 IA;
 - (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 IA, 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 IA, 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 IA 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 IA 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 IA, 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 \$184 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.

Annex XXI

AGREEMENT BETWEEN THE GOVERNMENT OF BOTSWANA 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 Botswana (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 zero ODP tonnes by 1 January 2030 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; and
 - (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;
- (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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and Cooperating 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 subparagraph 5(b). The Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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 IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	11.00

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	7.15	7.15	7.15	7.15	3.58	3.58	3.58	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	7.15	7.15	7.15	7.15	3.58	3.58	3.58	0	n/a
2.1	Lead IA UNEP agreed funding (US \$)	150,000	0	192,500	0	0	192,500	0	105,000	640,000
2.2	Support costs for Lead IA (US \$)	18,844		24,183			24,183		13,190	80,400
2.3	Cooperating IA UNIDO agreed funding (US \$)	100,000	0	150,000	0	0	150,000	0	0	400,000
2.4	Support costs for Cooperating IA (US \$)	7,000	0	10,500	0	0	10,500	0	0	28,000

Row	Particulars	2020	2021-2022	2023	2024	2025-2026	2027	2028-2029	2030	Total
3.1	Total agreed funding (US \$)	250,000	0	342,500	0	0	342,500	0	105,000	1,040,000
3.2	Total support costs (US \$)	25,844	0	34,683	0	0	34,683	0	13,190	108,400
3.3	Total agreed costs (US \$)	275,844	0	377,183	0	0	377,183	0	118,190	1,148,400
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									7.15
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									3.85
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0

*Date of completion of stage I as per stage I Agreement: 31 December 2021.

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 Botswana Meteorological Services Department of the Ministry of Environment, Natural Resources Conservation and Tourism will be responsible for the overall project monitoring of all activities under the Plan. The national ozone unit (NOU), which is at the Botswana Meteorological Services Department, will be responsible for planning, coordinating, and carrying out the daily work of project implementation. It will also assist the Government and non-government organizations to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of implementation to the Lead IA and the Cooperating IA to monitor the progress of implementation of the Plan.
2. Annual consumption of HCFCs and other ODS will be monitored through the Project Monitoring Unit (PMU) in collaboration with the Customs Department and the Ministry of Trade and Commerce. The Ministry of Trade and Commerce is a licensing authority that will issue import and export permits, while the Customs Department will control and monitor the import and export of HCFCs and other ODS at the point of entry. The NOU will liaise with importers of HCFCs and other ODS to obtain necessary data for the reconciliation of statistics on a periodic basis.
3. The NOU will undertake regular inspection of refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor the condition of RAC servicing tools distributed under the Plan.
4. The NOU will also undertake a market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the RAC sector. The NOU will monitor the implementation of capacity-building activities with relevant agencies, e.g. RAC technician training and customs and enforcement officer training.

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 IA;
- (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 IA, 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 IA, 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 IA 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 IA 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 IA, 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 \$180/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 XXII

AGREEMENT BETWEEN THE GOVERNMENT OF BRUNEI DARUSSALAM 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 Brunei Darussalam, (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 zero ODP tonnes by 1 January 2030 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; and
 - (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;
- (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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of 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 subparagraph 5(b). The Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	6.10

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	3.96	3.96	3.96	1.98	1.98	1.98	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	3.96	3.96	3.96	1.98	1.98	1.98	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	149,100	0	76,100	0	67,300	0	58,500	351,000
2.2	Support costs for Lead IA (US \$)	19,383	0	9,893	0	8,749	0	7,605	45,630
2.3	Cooperating IA (UNDP) agreed funding (US \$)	11,000	0	154,000	0	69,000	0		234,000
2.4	Support costs for Cooperating IA (US \$)	990	0	13,860	0	6,210	0		21,060
3.1	Total agreed funding (US \$)	160,100	0	230,100	0	136,300	0	58,500	585,000

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
3.2	Total support cost (US \$)	20,373	0	23,753	0	14,959	0	7,605	66,690
3.3	Total agreed costs (US \$)	180,473	0	253,853	0	151,259	0	66,105	651,690
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)								3.96
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								2.14
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

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. The Department of Environment, Park and Recreation (DEPR) of the Ministry of Development will be responsible for the overall project monitoring of all activities under stage II of the HPMP. The national ozone unit (NOU) will be responsible for the planning, coordination, implementation of daily work of the project implementation. It will also assist the Government and non-Government organizations, to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of the implementation to the Lead IA and the Cooperating IA to monitor implementation progress of stage II of the HPMP.
2. Annual consumption of HCFCs and other ODSs will be monitored through DEPR in collaboration with the Royal Customs and Excise Department (RCED). DEPR is a licensing authority to issue import and export permit, while the RCED will control and monitor the import and export of HCFCs and other ODSs at the point of entry. The NOU will liaise with importers of HCFCs and other ODSs to obtain necessary data for reconciliation of statistics on the periodically basis.
3. The NOU will undertake regular inspection to refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor conditions of RAC servicing tools distributed under stage II of the HPMP. It will also undertake regular inspection to monitor the implementation of labelling requirement for HCFC cylinders.
4. The NOU will further undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the RAC sector and will monitor the implementation of capacity building activities with relevant IAs e.g., RAC technician training and customs and enforcement officers training.

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 IA;
- (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and 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 IA 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 IA 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 IA, 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 \$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.

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 XXIII

AGREEMENT BETWEEN THE GOVERNMENT OF CUBA 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 Cuba (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 zero ODP tonnes by 1 January 2030 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 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, 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	14.25
HCFC-124	C	I	0.01
HCFC-141b	C	I	2.60
HCFC-142b	C	I	0.02
Subtotal			16.88
HCFC-141b contained in imported pre-blended polyols	C	I	13.35
Total			30.23

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025	2026-2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	10.97	10.97	10.97	10.97	5.49	5.49	5.49	5.49	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	10.97	10.97	10.97	10.97	5.49	5.49	5.49	5.49	0.00	n/a
2.1	Lead IA UNDP agreed funding (US \$)	260,000	0	260,000	0	208,000	0	208,000	0	104,000	1,040,000
2.2	Support costs for Lead IA (US \$)	18,200	0	18,200	0	14,560	0	14,560	0	7,280	72,800
3.1	Total agreed funding (US \$)	278,200	0	278,200	0	222,560	0	222,560	0	111,280	1,112,800
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										10.94
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)										3.31
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										0.00
4.2.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)										0.01
4.2.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)										0.00
4.2.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)										0.00

Row	Particulars	2020	2021-2022	2023	2024	2025	2026-2027	2028	2029	2030	Total
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.3.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)										2.60
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										0.00
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)										0.02
4.4.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)										0.00
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)										0.00
4.5.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.5.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)										13.35
4.5.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)										0.00

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the 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. Supervision will be provided by the Ministry of Science Technology and Environment, through the Ozone Technical Office (OTOZ), with assistance from the Lead IA.

2. Consumption will be monitored and determined from official data on the import and export of substances registered by the relevant government departments.

3. OTOZ will compile and report the following data and information each year 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 Plan will be submitted to the Executive Committee of the Multilateral Fund.

4. The OTOZ and the Lead IA will jointly hire a qualified independent entity to conduct a qualitative and quantitative performance assessment of the implementation of the Plan.

5. The agency responsible for evaluation will have full access to relevant technical and financial information related to the implementation of the Plan.

6. The agency responsible for evaluation shall prepare and submit to the OTOZ and the Lead IA a draft consolidated report at the end of each annual implementation plan, which will include the findings of the assessment and, where appropriate, recommendations to make the improvements or adjustments. The draft report will include the Country's situation with regard to compliance with the provisions of this Agreement.

7. After incorporating the comments and explanations, if any, from the OTOZ and the Lead IA, the agency responsible for evaluation will finalize the report submitted to the OTOZ and the Lead IA.

8. The OTOZ will endorse the final report and the Lead IA will transmit it to the relevant meeting of the Executive Committee with the implementation plan and annual 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;
 - (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.

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 XXIV

AGREEMENT BETWEEN THE GOVERNMENT OF ECUADOR 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 Ecuador (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 zero ODP tonnes by 1 January 2030 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, 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 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 commits to examining the possibility of using pre-blended systems with low-global warming potential 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP 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 the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	21.02
HCFC-123	C	I	0.18
HCFC-124	C	I	0.22
HCFC-141b	C	I	0.86
HCFC-142b	C	I	1.20
Sub-total			23.49
HCFC-141b contained in imported pre-blended polyols	C	I	20.67
Total	C	I	44.16

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	15.27	15.27	15.27	7.63	7.63	7.63	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	15.27	15.27	15.27	7.63	7.63	7.63	0	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	268,750	0	376,250	0	234,500	0	195,500	1,075,000
2.2	Support costs for Lead IA (US \$)	18,813	0	26,338	0	16,415	0	13,685	75,250
2.3	Cooperating IA (UNEP) agreed funding (US \$)	24,000	0	31,000	0	21,000	0	19,000	95,000
2.4	Support costs for Cooperating IA (US \$)	3,120	0	4,030	0	2,730	0	2,470	12,350
3.1	Total agreed funding (US \$)	292,750		407,250		255,500		214,500	1,170,000
3.2	Total support costs (US \$)	21,933		30,368		19,145		16,155	87,600
3.3	Total agreed costs (US \$)	314,683		437,618		274,645		230,655	1,257,600
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								13.66
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								7.36
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)								0.18
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
4.35.1	Total phase-out of HFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0.22
4.3.2	Phase-out of HFC-124 to be achieved in the previous stage (ODP tonnes)								0
4.3.3	Remaining eligible consumption for HFC-124 (ODP tonnes)								0
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0
4.4.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								0.86
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								1.20
4.5.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)								0
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)								19.81
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)								0.86

*Date of completion of stage I as per stage I Agreement: 31 December 2021

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. The Minister of Production, Foreign Trade, Investment and Fishery (MPCEIP) is the Focal Point of the Montreal Protocol in Ecuador. The activities corresponding to the implementation of the Protocol are aligned within the strategies proposals of the Ministry's National Direction of Environment and Technological Reconversion. This Division coordinates with the authorities the National Plan for the Elimination of Ozone Depleting Substances (ODS).

2. The project is implemented through the National Ozone Unit established within the MPCEIP, as part of the National Direction of Environment and Technological Reconversion, and its functions are:

- (a) To coordinate, as focal point, all the activities related to the implementation of the country programme for the ODS phase-out in Ecuador,
- (b) Monitoring and control the Montreal Protocol controlled substances consumption,
- (c) To disseminate data and pertinent information to all the interested parties, and to inform on the requirements of the Montreal Protocol,
- (d) To promote awareness on the ODS and alternatives issues,
- (e) To receive, evaluate and submit reports, to be considered by the Executive Committee of the Multilateral Fund, for additional projects that have not been included in the country programme,
- (f) To report to the Ozone Secretariat, Multilateral Fund, and to the Implementation Agencies about the consumption and phase-out of the Montreal Protocol controlled substances in Ecuador, and
- (g) Coordination and implementation of projects for the substances controlled by the Montreal Protocol in the country.

3. The MPCEIP will be responsible for the monitoring of the phase-out implementation plan, of making the follow up of the promulgation, and the enforcement of the policies and legislation, the procedures the procedures to carry out these activities are:

- (a) Implementation of all the activities of the components within the HPMP, including a detailed activity design, audit of the involved parties, identification and selection of the beneficiaries, contracting of goods and services, continuous technical assistance to the project beneficiaries, etc.;
- (b) Regular monitoring of the trends and attitudes in the local private sector related to the HCFC use and its possible substitutes;
- (c) Design, organization and implementation (annual) of the project monitoring activities, including the design of the data gathering and analysis instruments;

- (d) Analysis and report of results of the monitoring, including the design of the implementation of the corrective measures and/or activities of technical assistance, and organization of the corresponding meetings for review and management of the monitoring;
- (e) Design and implementation of the corrective measures;
- (f) Regular implementation of activities of technical assistance to the project beneficiaries; and
- (g) Preparation of annual progress reports, biannual reports on the HPMP implementation, and biannual implementation plan for the Multilateral Fund Executive Committee, according to the defined format. It will also include the preparation of any other report necessary for the adequate operation of the HPMP project.

4. The phase-out plan will be managed by a team dedicated to this job that consists of a coordinator that will be designated by the MPCEIP and have the support of the representatives and experts of the implementation agencies and the necessary support infrastructure. The component of support to the management and update of the legal instruments of the phase-out plan will include the following activities:

- (a) Management and coordination of the implementation of the plan;
- (b) Establishment of a policy development and application programme to allow the Government to exercise the required mandates and ensure the industry fulfilment with the obligations of the ODS consumption reduction;
- (c) Development and implementation of training, awareness and capacity building activities to ensure a high-level commitment to the Plan objectives and obligations;
- (d) Preparation of annual implementation plans including the determination of the sequence of participation of the companies in the activities;
- (e) Establishment and operation of a report system on the ODS use /substitutes by the users;
- (f) Report on the progress of the plan implementation for the annual disbursement based on performance; and
- (g) Establishment and operation of the decentralized mechanism to monitor and evaluate the plan results, in association with local environmental regulatory entities to ensure sustainability.

5. 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.

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 IA;
- (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-coordinating the activities of the Cooperating IA, 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 IA, 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 IA 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 IA 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 IA, and refer to the Lead IA to ensure a coordinated 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 \$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.

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 XXV

AGREEMENT BETWEEN THE GOVERNMENT OF ESWATINI 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 Eswatini (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 zero ODP tonnes prior to 1 January 2030 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 and 4.2.3 (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; and
 - (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;
- (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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	1.70
HCFC-141b contained in imported pre-blended polyols	C	I	5.60
Total	C	I	7.30

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1.12	1.12	1.12	0.56	0.56	0.56	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.11	1.11	1.11	0.56	0.56	0.56	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	70,000	0	120,000	0	95,000	0	65,000	350,000
2.2	Support costs for Lead IA (US \$)	9,100	0	15,600	0	12,350	0	8,450	45,500

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
2.3	Cooperating IA (UNDP) agreed funding (US \$)	50,000	0	140,000	0	0	0	0	190,000
2.4	Support costs for Cooperating IA (US \$)	4,500	0	12,600	0	0	0	0	17,100
3.1	Total agreed funding (US \$)	120,000	0	260,000	0	95,000	0	65,000	540,000
3.2	Total support costs (US \$)	13,600	0	28,200	0	12,350	0	8,450	62,600
3.3	Total agreed costs (US \$)	133,600	0	288,200	0	107,350	0	73,450	602,600
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								1.11
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.59
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00
4.2.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.2.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)								5.60
4.2.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)								0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2021.

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 Eswatini Environment Authority (EEA) of the Ministry of Tourism and Environmental Affairs will be responsible for the overall monitoring of all activities implemented under the Plan. The national ozone unit (NOU) will be responsible for the planning, coordinating and daily operation of the project; it will also assist the Government and non-governmental stakeholders to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of the implementation to the Lead IA and the Cooperating IA to monitor implementation progress of the Plan.
2. The Ministry of Trade is responsible for issuing licenses for imports and exports of HCFCs; the Customs Department will control and monitor the imports and exports of HCFCs and other ODS at the point of entry. Annual consumption of HCFCs and other ODS will be monitored through the NOU in collaboration with the Customs Department and the Ministry of Trade. The NOU will liaise with importers of HCFCs and other ODS to obtain necessary data for reconciliation of statistics on the periodical basis.
3. The NOU will undertake regular inspection to refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor conditions of RAC servicing tools distributed under the Plan. It will also undertake regular inspection to monitor the implementation of labelling requirements for HCFC cylinders.
4. The NOU will also undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the RAC sector. The NOU will monitor the implementation of capacity building activities with relevant agencies e.g. RAC technician training and customs and enforcement officers training.

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 IA;
 - (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 IA, 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 IA, 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 IA 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 IA 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 IA, 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 \$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.

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 XXVI

AGREEMENT BETWEEN THE GOVERNMENT OF THE GAMBIA 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 the Gambia (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 zero ODP tonnes by 1 January 2030 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;

- (c) 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
- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating 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 subparagraph 5(b). The Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	1.50

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.98	0.98	0.98	0.98	0.49	0.49	0.49	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.98	0.98	0.98	0.98	0.49	0.49	0.49	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	100,000	0	90,000	0	0	106,000	0	54,000	350,000
2.2	Support costs for Lead IA (US \$)	13,000	0	11,700	0	0	13,780	0	7,020	45,500
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	90,000	0	100,000	0	0	0	0	0	190,000
2.4	Support costs for Cooperating IA (US\$)	8,100	0	9,000	0	0	0	0	0	17,100
3.1	Total agreed funding (US \$)	190,000	0	190,000	0	0	106,000	0	54,000	540,000
3.2	Total support costs (US \$)	21,100	0	20,700	0	0	13,780	0	7,020	62,600
3.3	Total agreed costs (US \$)	211,100	0	210,700	0	0	119,780	0	61,020	602,600
4.1.1	Total phase-out of HCFC 22 agreed to be achieved under this Agreement (ODP tonnes)									0.98
4.1.2	Phase-out of HCFC 22 to be achieved in the previous stage (ODP tonnes)									0.52
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0

*Date of completion of stage I as per stage I Agreement: 31 December 2021.

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. The national ozone unit (NOU) will submit annual progress reports of status of implementation of the HPMP to the Lead IA.

2. Monitoring of development of the Plan and verification of the achievement of the performance targets, specified in the HPMP, will be assigned to an independent local company or independent local consultants by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the 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 IA;
 - (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 IA, 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 IA, 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 IA 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 IA 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 IA, 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 \$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.

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 XXVII

AGREEMENT BETWEEN THE GOVERNMENT OF GUATEMALA 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 Guatemala (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 zero ODP tonnes by 1 January 2030 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 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 UNEP 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 the Lead IA and Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA 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 IA with the fees set out in rows 2.2 and 2.4 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 IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	6.9
HCFC-124	C	I	0.1
HCFC-141b	C	I	1.1
HCFC-142b	C	I	0.2
Sub-total			8.3
HCFC-141b contained in imported pre-blended polyols	C	I	1.4
Total			9.7

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	5.4	5.4	5.4	2.7	2.7	1.2	0	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	5.4	5.4	5.4	2.7	2.7	1.2	0	n/a	
2.1	Lead IA (UNIDO) agreed funding (US \$)	129,600	0	182,900	0	58,500	0	91,500	462,500	
2.2	Support costs for Lead IA (US \$)	9,072	0	12,803	0	4,095	0	6,405	32,375	
2.3	Cooperating IA (UNEP) agreed funding (US \$)	43,000	0	36,000	0	43,000	0	33,000	155,000	
2.4	Support costs for Cooperating IA (US \$)	5,590	0	4,680	0	5,590	0	4,290	20,150	
3.1	Total agreed funding (US \$)	172,600	0	218,900	0	101,500	0	124,500	617,500	
3.2	Total support costs (US \$)	14,662	0	17,483	0	9,685	0	10,695	52,525	
3.3	Total agreed costs (US \$)	187,262	0	236,383	0	111,185	0	135,195	670,025	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									5.1
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									1.8
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0
4.2.1	Total phase-out of HFC-124 agreed to be achieved under this Agreement (ODP tonnes)									0.1
4.2.2	Phase-out of HFC-124 to be achieved in the previous stage (ODP tonnes)									0.0
4.2.3	Remaining eligible consumption for HFC-124 (ODP tonnes)									0
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)									0.0
4.3.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)									1.1
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)									0.2
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 contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)									0
4.5.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)									1.4
4.5.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)									0

Note: The date of completion of stage I as per the stage I Agreement is 31 December 2021.

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. The Ministry of Environment and Natural Resources (MARN) is the executing agency and the focal point of the Montreal Protocol in Guatemala.

2. The activities corresponding to the implementation of the Protocol are within the Department for the Environmentally Sound Management of Chemical Products and Hazardous Wastes of Guatemala under the responsibility of the Montreal Protocol Unit (MPU).

3. The implementation of all the activities of the components within the Plan is included in the annual plan of the MARN and regular monitoring is done by the boards of this institution and its implementing agencies. The activities include:

- (a) Management and coordination of the implementation of the plan;

- (b) Establishment of a policy development and application programme to allow the Government to exercise the required mandates and ensure the industry fulfilment with the obligations of the ODS consumption reduction;
- (c) Regular monitoring of the trends and attitudes in the local private sector related to the HCFC use and its possible substitutes;
- (d) Development and implementation of training, awareness and capacity-building activities to ensure a high-level commitment to the Plan objectives and obligations;
- (e) Preparation of annual implementation plans, including the determination of the sequence of participation of enterprises in the activities;
- (f) Establishment and operation of a report system on the ODS use/substitutes by the users;
- (g) Design and implementation of the corrective measures;
- (h) Regular implementation of activities of technical assistance to the project beneficiaries;
- (i) Preparation of annual progress reports, biannual reports on the HPMP implementation, and biannual implementation plan for the Executive Committee of the Multilateral Fund, according to the defined format, including the preparation of any other report necessary for the adequate operation of the HPMP project; and
- (j) Establishment and operation of the decentralized mechanism to monitor and evaluate the plan results, in association with local environmental regulatory entities to ensure sustainability.

4. The Government will create strategic alliances with other government bodies, industry associations, and academic institutions, which will allow it to strengthen the strategy and expand its range of action, such as training institutions that support the whole training programme to the sectors involved in the use of the refrigerants to be phased out and the alternatives to all the servicing sector; the Superintendence of Tax Administration (SAT) which organizes, guides and implements the regulations, among others, those related to the controlled substances by the Montreal Protocol. It carries out procedures, inspections and supervises the exports and imports of ODS substances. It executes the necessary operational measures to prevent smuggling and illegal trade of controlled substances. Together with the MPU, it inspects and verifies substances and equipment controlled by the Montreal Protocol. When required by the MPU, it prepares reports that serve as input to the reports that the country must submit in accordance with the Montreal Protocol.

5. 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.

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 IA;
- (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) Coordinating the activities of the Cooperating IA, 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 IA, 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 IA on any planning, coordination 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 IA 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 IA, and refer to the Lead IA to ensure a coordinated 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, coordination 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 \$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.

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 XXVIII

AGREEMENT BETWEEN THE GOVERNMENT OF HONDURAS 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 Honduras (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 zero ODP tonnes by 1 January 2030 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 and 4.3.3 (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; and
 - (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;
 - (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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP 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 the Lead IA and Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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 IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	18.00
HCFC-141b	C	I	1.90
Sub-total			19.90
HCFC-141b contained in imported pre-blended polyols	C	I	0.80
Total	C	I	20.70

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021	2022	2023	2024	2025	2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	12.94	12.94	12.94	12.94	12.94	6.47	6.47	6.47	6.47	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	12.94	12.94	9.91	9.91	9.91	6.47	6.47	6.47	2.70	0	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	197,000	0	0	164,500	0	298,500	0	157,000	0	177,500	994,500
2.2	Support costs for Lead IA (US \$)	13,790	0	0	11,515	0	20,895	0	10,990	0	12,425	69,615
2.3	Cooperating IA (UNEP) agreed funding (US \$)	26,500	0	0	36,500	0	36,500	0	43,000	0	33,000	175,500
2.4	Support costs for Cooperating IA (US \$)	3,445	0	0	4,745	0	4,745	0	5,590	0	4,290	22,815
3.1	Total agreed funding (US \$)	223,500	0	0	201,000	0	335,000	0	200,000	0	210,500	1,170,000
3.2	Total support costs (US \$)	17,235	0	0	16,260	0	25,640	0	16,580	0	16,715	92,430
3.3	Total agreed costs (US \$)	240,735	0	0	217,260	0	360,640	0	216,580	0	227,215	1,262,430
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											11.71
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)											6.30
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)											1.90
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)											0.00
4.3.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.3.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)											0.80
4.3.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)											0.00

*Date of completion of stage I as per stage I Agreement: 31/12/2021

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 Honduras Ozone Technical Unit (UTOH), under the Natural Resources and Environment Secretariat, will coordinate the project implementation including the activities proposed in the HPMP.

2. UTOH as focal point will be responsible for the national coordination of the whole HPMP programme with the assistance of UNIDO as the Lead IA and UNEP as Cooperating IA. The Unit will support the Lead IA and the Cooperating IA in the preparation the annual implementation plans and progress reports for the Executive Committee.

3. The UTOH will be responsible for the monitoring of the phase-out implementation plan, of making the follow up of the promulgation, and the enforcement of the policies and legislation, the procedures the procedures to carry out these activities are:

- (a) Implementation of all the activities of the components within the HPMP, including a detailed activity design, audit of the involved parties, identification and selection of the beneficiaries, contracting of goods and services, continuous technical assistance to the project beneficiaries, etc.;
- (b) Regular monitoring of the trends and attitudes in the local private sector related to the HCFC use and its possible substitutes;
- (c) Design, organization and implementation (annual) of the project monitoring activities, including the design of the data gathering and analysis instruments;
- (d) Analysis and report of results of the monitoring, including the design of the implementation of the corrective measures and/or activities of technical assistance, and organization of the corresponding meetings for review and management of the monitoring;
- (e) Design and implementation of the corrective measures;
- (f) Regular implementation of activities of technical assistance to the project beneficiaries; and
- (g) Preparation of annual progress reports, biannual reports on the HPMP implementation, and biannual implementation plan for the Multilateral Fund Executive Committee, according to the defined format. It will also include the preparation of any other report necessary for the adequate operation of the HPMP project.

4. The Government will create strategic alliances with other government bodies, industry associations, and academic institutions, which will allow it to strengthen the strategy and expand its range of action, including:

- (a) Vocational and basic training institutions to support the whole training programme to the sectors involved in the use of the refrigerants to be phased out and the alternatives to all the servicing sector;
- (b) Provincial, inter-provincial, and city Customs Departments organize, guides and implements the regulations, among others, those related to the substances controlled by the Montreal Protocol. It implements procedures, inspections and supervises the exports and imports of ODS substances. It executes the necessary operational measures to prevent smuggling and illegal trade of ODS. Together with the UTOH, it inspects and verifies substances and equipment controlled by the Montreal Protocol. When required by the UTOH, customs prepare reports that serve as input to the reports that the country must submit against the Montreal Protocol.

5. The phase-out plan will be managed by a team dedicated to this job that consists of a coordinator that will be designated by the UTOH and have the support of the representatives and experts of the

implementing agencies and the necessary support infrastructure. The component of support to the management and update of the legal instruments of the phase-out plan will include the following activities:

- (a) Management and coordination of the implementation of the plan;
- (b) Establishment of a policy development and application programme to allow the Government to exercise the required mandates and ensure the industry fulfilment with the obligations of the ODS consumption reduction;
- (c) Development and implementation of training, awareness and capacity building activities to ensure a high-level commitment to the Plan objectives and obligations;
- (d) Preparation of annual implementation plans including the determination of the sequence of participation of the companies in the activities;
- (e) Establishment and operation of a report system on the ODS use /substitutes by the users;
- (f) Report on the progress of the plan implementation for the annual disbursement based on performance; and
- (g) Establishment and operation of the decentralized mechanism to monitor and evaluate the plan results, in association with local environmental regulatory entities to ensure sustainability.

6. 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.

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 IA;
 - (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-coordinating the activities of the Cooperating IA, 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 IA, 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 IA 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 IA 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 IA, and refer to the Lead IA to ensure a coordinated 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 \$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.

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 XXIX

AGREEMENT BETWEEN THE GOVERNMENT OF JAMAICA 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 Jamaica (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 zero ODP tonnes by 1 January 2030 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 and 4.2.3 (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	6.98
HCFC-141b	C	I	3.60
Total			10.58

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	10.60	10.60	10.60	5.30	5.30	5.30	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	8.20	8.20	8.20	5.30	5.30	5.30	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	117,000	0	156,000	0	78,000	0	39,000	390,000
2.2	Support costs for Lead IA (US \$)	8,190	0	10,920	0	5,460	0	2,730	27,300
3.1	Total agreed funding (US \$)	117,000	0	156,000	0	78,000	0	39,000	390,000
3.2	Total support costs (US \$)	8,190	0	10,920	0	5,460	0	2,730	27,300
3.3	Total agreed costs (US \$)	125,190	0	166,920	0	83,460	0	41,730	417,300
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								2.48
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								4.50
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								3.60
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval no later 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 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), which is located within the National Environment and Planning Agency (NEPA), will be responsible for the day-to-day execution of project activities. In carrying out this function, the NOU will follow the supervision and reporting procedures and structures established by the Government to manage the NEPA. In this regard, the highest policy responsibility rests with the Minister responsible for the NEPA while at the technical level, responsibility resides with the Chief Executive Officer of the NEPA (head of the NEPA).

2. Periodically the Government, in collaboration with the Lead IA will convene monitoring missions to provide independent verification of project outputs, achievement of targets and financial management. The missions will also undertake an overall project evaluation and make recommendations, if necessary for further action to achieve target phase-out levels.

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.

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 XXX

AGREEMENT BETWEEN THE GOVERNMENT OF THE LAO PEOPLE'S DEMOCRATIC REPUBLIC 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 the Lao People's Democratic Republic (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 zero ODP tonnes prior to 1 January 2030 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 and 4.2.3 (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; and
 - (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;
- (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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	2.30
HCFC-141b contained in imported pre-blended polyols	C	I	3.24

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020*	2021-2022	2023	2024	2025	2026	2027-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1.50	1.50	1.50	1.50	0.75	0.75	0.75	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.50	1.50	1.50	1.50	0.75	0.75	0.75	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	106,400	0	87,100	0	0	86,900	0	52,000	332,400

Row	Particulars	2020*	2021-2022	2023	2024	2025	2026	2027-2029	2030	Total
2.2	Support costs for Lead IA (US \$)	13,832	0	11,323	0	0	11,297	0	6,760	43,212
2.3	Cooperating IA (UNDP) agreed funding (US \$)	107,000	00	64,480	0	0	16,120	0	0	187,600
2.4	Support costs for Cooperating IA (US \$)	9,630	0	5,803	0	0	1,451	0	0	16,884
3.1	Total agreed funding (US \$)	213,400	0	151,580	0	0	103,020	0	52,000	520,000
3.2	Total support cost (US \$)	23,462	0	17,126	0	0	12,748	0	6,760	60,096
3.3	Total agreed costs (US \$)	236,862	0	168,706	0	0	115,768	0	58,760	580,096
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									1.50
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									0.80
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0.00
4.2.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)									0.00
4.2.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)									3.24**
4.2.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)									0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2021.

** The phase-out was achieved without assistance from the Multilateral Fund.

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 Department of Pollution Control and Monitoring (DPCM) of the Ministry of Natural Resources and Environment will be responsible for the overall project monitoring of all activities under the Plan. The national ozone unit (NOU) will be responsible for the planning, coordination, implementation of daily work of the project implementation. It will also assist the Government and non-government organizations, to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of the implementation to the Lead IA and the Cooperating IA to monitor implementation progress of the Plan.

2. Annual consumption of HCFCs and other ODSs will be monitored through the DPCM in collaboration with the Customs Department. The DPCM is a licensing authority to issue import and export permit, while the Customs Department will control and monitor the import and export of HCFCs and other ODSs at the point of entry. The NOU will liaise with importers of HCFCs and other ODSs to obtain necessary data for reconciliation of statistics on the periodically basis.

3. The NOU will undertake regular inspection to refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor conditions of RAC servicing tools distributed under the Plan. It will also undertake regular inspection to monitor the implementation of labelling requirement for HCFC cylinders.

4. The NOU will also undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the RAC sector. The NOU will monitor the implementation of capacity building activities with relevant agencies e.g. RAC technician training and customs and enforcement officers training.

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 IA;
 - (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 IA, 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 IA, 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 IA 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 IA 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 IA, 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 \$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.

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 XXXI

AGREEMENT BETWEEN THE GOVERNMENT OF MONGOLIA 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 Mongolia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 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;
- (c) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Japan has agreed to be the cooperating 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 the Lead IA and Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	1.40

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025	2026	2027-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.91	0.91	0.91	0.91	0.46	0.46	0.46	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.40	0.40	0.40	0.40	0.30	0.30	0.30	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	116,000	0	92,000	0	0	108,000	0	54,000	370,000
2.2	Support costs for Lead IA (US \$)	15,080	0	11,960	0	0	14,040	0	7,020	48,100
2.3	Cooperating IA (Japan) agreed funding (US \$)	110,000	0	60,000	0	0	0	0	0	170,000
2.4	Support costs for Cooperating IA (US \$)	14,300	0	7,800	0	0	0	0	0	22,100
3.1	Total agreed funding (US \$)	226,000	0	152,000	0	0	108,000	0	54,000	540,000
3.2	Total support costs (US \$)	29,380	0	19,760	0	0	14,040	0	7,020	70,200
3.3	Total agreed costs (US \$)	255,380	0	171,760	0	0	122,040	0	61,020	610,200
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									0.40
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									1.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

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. The monitoring process will be managed by the National Ozone Authority (NOA) under the guidance of Ministry of Environment and Tourism with the assistance of the Lead IA.

2. The consumption will be monitored and determined based on official import and export data for the Substances recorded by the NOA.

3. The NOA shall compile and report the following data and information on an annual basis on or before the relevant due dates:

- (a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and

- (b) Annual reports on progress of implementation of the Plan to be submitted to the Executive Committee of the Multilateral Fund.
4. The verification of the achievement of the performance targets, specified in the Plan, will be assigned to an independent company or to independent consultant(s) by the Lead IA.
5. The Lead IA will also provide administrative, budgetary and financial monitoring necessary for the implementation of project activities.

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 IA;
 - (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and 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 IA 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 IA 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 IA, 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 \$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.

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 XXXII

AGREEMENT BETWEEN THE GOVERNMENT OF NEPAL 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 Nepal, (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 zero ODP tonnes by 1 January 2030, 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; and
 - (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;
- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP have 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 the Lead IA and Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	1.27

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025	2026	2027-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.72	0.72	0.72	0.72	0.36	0.36	0.36	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.72	0.63	0.63	0.63	0.36	0.36	0.36	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	128,000	0	67,000	0	0	75,000	0	54,000	324,000
2.2	Support costs for Lead IA (US \$)	16,640	0	8,710	0	0	9,750	0	7,020	42,120
2.3	Cooperating IA (UNDP) agreed funding (US \$)	90,000	0	126,000	0	0	0	0	0	216,000
2.4	Support costs for Cooperating IA (US \$)	8,100	0	11,340	0	0	0	0	0	19,440
3.1	Total agreed funding (US \$)	218,000	0	193,000	0	0	75,000	0	54,000	540,000
3.2	Total support costs (US \$)	24,740	0	20,050	0	0	9,750	0	7,020	61,560
3.3	Total agreed costs (US \$)	242,740	0	213,050	0	0	84,750	0	61,020	601,560
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									0.63
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									0.64
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

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. The monitoring process will be managed by the National Ozone Unit (NOU) under the Ministry of Forest and Environment (MOFE) with the assistance of the Lead IA.
2. The consumption will be monitored and determined based on official import and export data for the Substances recorded by NOU.
3. The NOU shall compile and report the following data and information on an annual basis on or before the relevant due dates:
 - (a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and
 - (b) Annual reports on progress of implementation of the Plan to be submitted to the Executive Committee of the Multilateral Fund.
4. Monitoring of activities of the Plan and verification of the achievement of the performance targets, specified in the Plan, will be assigned to an independent company or to independent consultant(s) by the Lead IA.
5. The Lead IA will also provide administrative, budgetary and financial monitoring necessary for the implementation of project activities.

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 IA;
 - (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 IA, 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 IA, 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 \$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.

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 XXXIII

AGREEMENT BETWEEN THE GOVERNMENT OF NICARAGUA 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 Nicaragua (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 zero ODP tonnes by 1 January 2030 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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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 IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	6.10
HCFC-123*	C	I	0.00
HCFC-124**	C	I	0.00
HCFC-141b	C	I	0.60
Sub-total***			6.80
HCFC-141b contained in imported pre-blended polyols	C	I	0.31
Total	C	I	7.11

* 2009-2010 average consumption of 0.01 ODP tonnes

** 2009-2010 average consumption of 0.03 ODP tonnes

*** The difference of 0.10 ODP tonnes is due to rounding to one decimal digit the baseline used to establish the starting point.

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021	2022	2023	2024	2025	2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	4.42	4.42	4.42	4.42	4.42	2.21	2.21	2.21	2.21	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	4.42	4.42	4.00	3.80	3.80	2.21	1.90	1.90	1.00	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	46,158	0	0	55,932	0	0	61,224	0	0	19,617	182,931
2.2	Support costs for Lead IA (US \$)	6,001	0	0	7,271	0	0	7,959	0	0	2,550	23,781
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	100,092	0	0	148,817	0	0	114,276	0	0	38,884	402,069
2.4	Support costs for Cooperating IA (US \$)	7,006	0	0	10,417	0	0	7,999	0	0	2,722	28,145
3.1	Total agreed funding (US \$)	146,250	0	0	204,750	0	0	175,500	0	0	58,500	585,000
3.2	Total support costs (US \$)	13,007	0	0	17,688	0	0	15,958	0	0	5,272	51,926
3.3	Total agreed costs (US \$)	159,257	0	0	222,438	0	0	191,458	0	0	63,772	636,926
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											4.32
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)											1.78
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)											0.01
4.2.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)											0.00
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)											0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)											0.03
4.3.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)											0.00
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)											0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.4.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)											0.60
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)											0.00
4.5.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.5.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)											0.31
4.5.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)											0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021.

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 entity of the implementation of the Montreal Protocol in Nicaragua is the Ministry of Environment and Natural Resources, through the national ozone unit (NOU).

2. The responsibilities of the NOU are to design and propose all the policy measures, including adjustments to the current regulations, coordination with other stakeholders, institutions and relevant sectors involved in the implementation of the Protocol; to follow up all the programmes and projects and prepare reports to the Ministry and Secretariats of the Montreal Protocol.

3. National consultants will assist the NOU in the following activities:

- (a) Follow up the activities described in each of the projects, including training courses, seminars, workshops and presentations;
- (b) Monitor the purchase of equipment, materials, tools and also contracts for services to be in line with each of the projects and complying the rules and regulations of the agencies participating in the Plan;
- (c) Assist in the reporting on the activities of the projects, taking into account the schedules defined in each component, and support the NOU to solve any deviation to finalize in time all the activities;
- (d) Support the NOU to define and select the beneficiaries, always as a supporting activity;
- (e) Support the NOU in the data gathering to make the required reports to the Multilateral Fund Secretariat for the tranche requests, and also to the Lead and Cooperating IAs;
- (f) Monitor and promote, when necessary, the actions to comply with the gender mainstreaming policy; and
- (g) Any other monitoring and evaluation activity requested by the NOU.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

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

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;

- (b) Assisting the Country in preparation of the 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 IA;
- (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 IA, 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 IA, 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 IA 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 AGENCY

1. The Cooperating IA 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 IA, 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 \$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.

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 XXXIV

**AGREEMENT BETWEEN THE GOVERNMENTS OF THE PACIFIC ISLAND COUNTRIES
(THE COOK ISLANDS, KIRIBATI, THE MARSHALL ISLANDS, THE FEDERATED STATES
OF MICRONESIA, NAURU, NIUE, PALAU, SAMOA, SOLOMON ISLANDS, TONGA,
TUVALU, VANUATU) 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 Governments of the Cook Islands, Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu (each of them will be referred as 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 zero ODP tonnes by 1 January 2030 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;
- (c) 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
- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Australia 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 the Lead IA and/or Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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 (metric tonnes)
HCFC-22	C	I	60.62

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	39.40	39.40	19.70	19.70	0.00	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	39.40	10.32	5.19	5.19	0.00	n/a	
2.1	Lead IA (UNEP) agreed funding (US \$)	2,165,400	0	1,819,000	0	294,000	4,278,400	
2.2	Support costs for Lead IA (US \$)	279,469	0	233,348	0	37,675	550,492	
2.3	Cooperating IA (Australia) agreed funding (US \$)	375,000	0	135,000	0	0	510,000	
2.4	Support costs for Cooperating IA (US \$)	48,603	0	17,497	0	0	66,100	
3.1	Total agreed funding (US \$)	2,540,400	0	1,954,000	0	294,000	4,788,400	
3.2	Total support cost (US \$)	328,072	0	250,845	0	37,675	616,592	
3.3	Total agreed costs (US \$)	2,868,472	0	2,204,845	0	331,675	5,404,992	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (metric tonnes)							39.40
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (metric tonnes)							21.22
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)							0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

THE COOK ISLANDS

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	0.86

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	0.56	0.56	0.28	0.28	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	0.56	0.00	0.00	0.00	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	165,050	0	105,000	0	15,250	285,300
2.2	Support costs for Lead IA - UNEP (US \$)	21,457	0	13,650	0	1,982	37,089
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	165,050	0	105,000	0	15,250	285,300
3.2	Total support cost (US \$)	21,457	0	13,650	0	1,982	37,089
3.3	Total agreed costs (US \$)	186,507	0	118,650	0	17,232	322,389
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						0.56
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						0.30
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

KIRIBATI

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	0.97

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	0.63	0.63	0.32	0.32	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	0.63	0.45	0.23	0.23	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	201,600	0	161,000	0	25,250	387,850
2.2	Support costs for Lead IA - UNEP (US \$)	26,208	0	20,930	0	3,283	50,421
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	201,600	0	161,000	0	25,250	387,850
3.2	Total support cost (US \$)	26,208	0	20,930	0	3,283	50,421
3.3	Total agreed costs (US \$)	227,808	0	181,930	0	28,533	438,271
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						0.63
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						0.34
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

THE MARSHALL ISLANDS

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	3.99

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	2.59	2.59	1.30	1.30	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	2.59	0.00	0.00	0.00	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	74,200	0	97,000	0	12,250	183,450
2.2	Support costs for Lead IA - UNEP (US \$)	9,646	0	12,610	0	1,593	23,849
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	74,200	0	97,000	0	12,250	183,450
3.2	Total support cost (US \$)	9,646	0	12,610	0	1,593	23,849
3.3	Total agreed costs (US \$)	83,846	0	109,610	0	13,843	207,299
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						2.59
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						1.40
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

THE FEDERATED STATES OF MICRONESIA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	2.55

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	1.66	1.66	0.83	0.83	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	1.66	1.66	0.83	0.83	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	202,100	0	188,000	0	33,250	423,350
2.2	Support costs for Lead IA - UNEP (US \$)	26,273	0	24,440	0	4,323	55,036
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	202,100	0	188,000	0	33,250	423,350
3.2	Total support cost (US \$)	26,273	0	24,440	0	4,323	55,036
3.3	Total agreed costs (US \$)	228,373	0	212,440	0	37,573	478,386
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						1.66
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						0.89
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

NAURU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	0.18

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	0.12	0.12	0.06	0.06	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	0.12	0.00	0.00	0.00	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	65,450	0	47,000	0	5,250	117,700
2.2	Support costs for Lead IA - UNEP (US \$)	8,509	0	6,110	0	683	15,301
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	65,450	0	47,000	0	5,250	117,700
3.2	Total support cost (US \$)	8,509	0	6,110	0	683	15,301
3.3	Total agreed costs (US \$)	73,959	0	53,110	0	5,933	133,001
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						0.12
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						0.06
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

NIUE

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	0.15

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	0.10	0.10	0.05	0.05	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	0.10	0.00	0.00	0.00	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	41,200	0	47,000	0	5,250	93,450
2.2	Support costs for Lead IA - UNEP (US \$)	5,356	0	6,110	0	683	12,149
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	41,200	0	47,000	0	5,250	93,450
3.2	Total support cost (US \$)	5,356	0	6,110	0	683	12,149
3.3	Total agreed costs (US \$)	46,556	0	53,110	0	5,933	105,599
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						0.10
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						0.05
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

PALAU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	2.97

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	1.93	1.93	0.97	0.97	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	1.93	1.93	0.97	0.97	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	183,000	0	70,000	0	13,250	266,250
2.2	Support costs for Lead IA - UNEP (US \$)	23,790	0	9,100	0	1,723	34,613
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	183,000	0	70,000	0	13,250	266,250
3.2	Total support cost (US \$)	23,790	0	9,100	0	1,723	34,613
3.3	Total agreed costs (US \$)	206,790	0	79,100	0	14,973	300,863
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						1.93
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						1.04
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

SAMOA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	4.60

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	2.99	2.99	1.50	1.50	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	2.99	1.35	0.68	0.68	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	195,950	0	118,000	0	20,250	334,200
2.2	Support costs for Lead IA - UNEP (US \$)	25,474	0	15,340	0	2,633	43,446
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	195,950	0	118,000	0	20,250	334,200
3.2	Total support cost (US \$)	25,474	0	15,340	0	2,633	43,446
3.3	Total agreed costs (US \$)	221,424	0	133,340	0	22,883	377,646
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						2.99
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						1.61
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

SOLOMON ISLANDS

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	35.05

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	22.78	22.78	11.39	11.39	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	22.78	4.29	2.15	2.15	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	271,250	0	196,500	0	29,250	497,000
2.2	Support costs for Lead IA - UNEP (US \$)	35,263	0	25,545	0	3,803	64,610
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	271,250	0	196,500	0	29,250	497,000
3.2	Total support cost (US \$)	35,263	0	25,545	0	3,803	64,610
3.3	Total agreed costs (US \$)	306,513	0	222,045	0	33,053	561,610
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						22.78
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						12.27
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

TONGA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	2.55

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	1.66	1.66	0.83	0.83	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	1.66	0.15	0.08	0.08	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	197,050	0	119,000	0	22,250	338,300
2.2	Support costs for Lead IA - UNEP (US \$)	25,617	0	15,470	0	2,893	43,979
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	197,050	0	119,000	0	22,250	338,300
3.2	Total support cost (US \$)	25,617	0	15,470	0	2,893	43,979
3.3	Total agreed costs (US \$)	222,667	0	134,470	0	25,143	382,279
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						1.66
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						0.89
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

TUVALU

APPENDIX 1-A: THE SUBSTANCES

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

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	1.07	1.07	0.53	0.53	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	1.07	0.20	0.10	0.10	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	76,450	0	54,000	0	10,250	140,700
2.2	Support costs for Lead IA - UNEP (US \$)	9,939	0	7,020	0	1,332	18,291
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	76,450	0	54,000	0	10,250	140,700
3.2	Total support cost (US \$)	9,939	0	7,020	0	1,332	18,291
3.3	Total agreed costs (US \$)	86,389	0	61,020	0	11,582	158,991
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						1.07
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						0.57
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

VANUATU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	5.11

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (metric tonnes)	3.32	3.32	1.66	1.66	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (metric tonnes)	3.32	0.29	0.15	0.15	0.00	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	212,100	0	186,500	0	27,250	425,850
2.2	Support costs for Lead IA - UNEP (US \$)	27,573	0	24,245	0	3,543	55,361
2.3	Cooperating IA - Australia agreed funding (US \$)	0	0	0	0	0	0
2.4	Support costs for Cooperating IA - Australia (US \$)	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	212,100	0	186,500	0	27,250	425,850
3.2	Total support cost (US \$)	27,573	0	24,245	0	3,543	55,361
3.3	Total agreed costs (US \$)	239,673	0	210,745	0	30,793	481,211
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (metric tonnes)						3.32
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (metric tonnes)						1.79
4.1.3	Remaining eligible consumption for HCFC-22 (metric tonnes)						0.00

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) of each Country will be responsible for the overall project monitoring of all activities under the Plan. The NOU will be responsible for the planning, coordination, implementation of daily work of the project implementation. It will also assist the Government and non-Government offices and organizations, to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of the implementation to the Lead IA and the Cooperating IA to monitor implementation progress of the Plan.

2. Annual consumption of HCFCs and other ODSs will be monitored through the NOU of each Country with collaboration from the Customs Authority of each Country. The NOU of each Country will also liaise with importers of HCFCs and other ODSs to obtain necessary data for reconciliation of statistics on the periodically basis.

3. The NOU of each Country will undertake regular inspection to refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor conditions of RAC servicing tools distributed under the Plan as well as compliance with requirement for handling refrigerants. The NOU will also undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the RAC sector. The NOU will monitor the implementation of capacity building activities with relevant agencies, e.g., RAC technician training and customs and enforcement officers training.

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 IA;
 - (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and 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 IA 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 IA 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 IA, 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 \$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.

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 XXXV

AGREEMENT BETWEEN THE GOVERNMENT OF RWANDA 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 Rwanda (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 zero ODP tonnes by 1 January 2030 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 and 4.4.3 (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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	3.75
HCFC-123	C	I	0.06
HCFC-141b	C	I	0.16
HCFC-142b	C	I	0.13
Total	C	I	4.10

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	2.67	2.67	2.67	1.33	1.33	1.33	0.0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	2.67	2.00	2.00	1.33	1.33	1.33	0.0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	90,000	0	117,000	0	83,000	0	60,000	350,000
2.2	Support costs for Lead IA (US \$)	11,700	0	15,210	0	10,790	0	7,800	45,500

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	70,000	0	83,000	0	17,000	0	0	170,000
2.4	Support costs for Cooperating IA (US \$)	6,300	0	7,470	0	1,530	0	0	15,300
3.1	Total agreed funding (US \$)	160,000	0	200,000	0	100,000	0	60,000	520,000
3.2	Total support costs (US \$)	18,000	0	22,680	0	12,320	0	7,800	60,800
3.3	Total agreed costs (US \$)	178,000	0	222,680	0	112,320	0	67,800	580,800
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								2.66
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								1.09
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.2.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)								0.06
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								0.00
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.3.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								0.16
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.00
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.4.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0.13
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval no later 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 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. All the monitoring activities will be coordinated and managed through the national ozone unit (NOU), which is included within this HPMP.
2. The NOU, with support from technical consultants for project management and monitoring component of HPMP and in coordination with the Lead IA and Cooperating IA, will monitor ODS licensing and quota system, manage and monitor HPMP activities including coordination with different projects and report on project implementation on a quarterly basis to the Lead IA. The NOU will also undertake tasks for coordinating with appropriate national agencies on project implementation and regulations enforcement for achieving HPMP targets. Independent verification, if needed, will be conducted by a consultant and will be arranged by the Lead IA.

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

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the 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 IA;
- (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and 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 IA 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 IA 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 IA, 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 \$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.

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 XXXVI

AGREEMENT BETWEEN THE GOVERNMENT OF SRI LANKA 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 Sri Lanka (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 zero ODP tonnes by 1 January 2030 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 and 4.2.3 (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
- (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 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”) and UNEP 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 the Lead IA and/or Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	12.00
HCFC-141b	C	I	1.90
Total			13.90

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025	2026	2027-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	9.04	9.04	9.04	9.04	4.52	4.52	4.52	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	9.04	9.04	9.04	9.04	4.52	4.52	4.52	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	216,200	0	293,200	0	0	53,200	0	62,400	625,000
2.2	Support costs for Lead IA (US \$)	15,134	0	20,524	0	0	3,724	0	4,368	43,750
2.3	Cooperating IA (UNEP) agreed funding (US \$)	200,800	0	85,800	0	0	86,800	0	41,600	415,000
2.4	Support costs for Cooperating IA(US \$)	26,104	0	11,154	0	0	11,284	0	5,408	53,950
3.1	Total agreed funding (US \$)	417,000	0	379,000	0	0	140,000	0	104,000	1,040,000
3.2	Total support cost (US \$)	41,238	0	31,678	0	0	15,008	0	9,776	97,700
3.3	Total agreed costs (US \$)	458,238	0	410,678	0	0	155,008	0	113,776	1,137,700
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)									9.14
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									2.86
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)									0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)									1.9
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)									0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

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, except for the last tranche which is due at the first meeting of that year.

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) of the Ministry of Environment and Wildlife Resources will be responsible for the overall project monitoring of all activities under the Plan. The NOU will be responsible for the planning, coordination, implementation of daily work of the project implementation. It will also assist the Government and non-Government organizations, to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of the implementation to the Lead IA and the Cooperating IA to monitor implementation progress of the Plan.
2. Annual consumption of HCFCs and other ODSs will be monitored through the NOU in collaboration with the Sri Lanka Customs Department (SLCD). Import and Export Control Department (IECD) is a licensing authority to issue import and export permit, while the SLCD will control and monitor the import and export of HCFCs and other ODSs at the point of entry. The NOU will liaise with importers of HCFCs and other ODSs to obtain necessary data for reconciliation of statistics on the periodically basis.
3. The NOU will undertake regular inspection to refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor conditions of RAC servicing tools distributed under the Plan.
4. The NOU will also undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the RAC sector. The NOU will monitor the implementation of capacity building activities with relevant agencies e.g. RAC technician training and customs and enforcement officers training.

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 IA;
 - (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and 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 IA 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 IA 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 IA, 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 \$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.

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 XXXVII

AGREEMENT BETWEEN THE GOVERNMENT OF TRINIDAD AND TOBAGO 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 Trinidad and Tobago (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 zero ODP tonnes by 1 January 2030 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 and 4.2.3 (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	43.10
HCFC-123	C	I	0.10
HCFC-124	C	I	0.50
HCFC-141b	C	I	2.30
Total	C	I	46.00

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	29.90	29.90	29.90	29.90	15.00	15.00	15.00	15.00	15.00	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	28.50	28.50	28.50	28.50	15.00	15.00	15.00	1.15	1.15	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	498,756	0	665,008	0	0	332,504	0	0	166,252	0	1,662,520
2.2	Support costs for Lead IA (US \$)	34,913	0	46,551	0	0	23,275	0	0	11,638	0	116,376
3.1	Total agreed funding (US \$)	498,756	0	665,008	0	0	332,504	0	0	166,252	0	1,662,520
3.2	Total support costs (US \$)	34,913	0	46,551	0	0	23,275	0	0	11,638	0	116,376
3.3	Total agreed costs (US \$)	533,669	0	711,559	0	0	355,779	0	0	177,890	0	1,778,896
4.1.1	Total phase-out of HCFC-22, HCFC-123, HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)											28.30
4.1.2	Phase-out of HCFCs to be achieved in the previous stage (ODP tonnes)											15.40
4.1.3	Remaining eligible consumption for HCFCs mentioned in 4.1.1 (ODP tonnes)											0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)											0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)											2.30
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)											0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval no later 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 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 entity of the implementation of the Montreal Protocol in Trinidad and Tobago is the Ministry of Planning and Development, through the national ozone unit (NOU). The responsibilities of the NOU are designing and proposing all the policy measures, including adjustments to the current regulations, coordination with other stakeholders, institutions and relevant sectors involved in the implementation of the Protocol; following up on all the programmes and projects and preparation of reports including relevant reports to the Ministry and Secretariats of the Montreal Protocol.

2. The monitoring activities related to the Plan will be carried out by the NOU with project management staff and support staff; all projects under the Plan will be planned, coordinated and monitored by the technical staff under the direct supervision of the NOU. The NOU and the technical staff would also collaborate closely with technical experts/consultants on service sector activities specifically relating to training and capacity building for minimizing use of HCFCs and safe adoption of alternatives, and regulations enforcement. The NOU will also provide support for reporting progress in a timely manner to the Executive Committee, overall coordination of verification activities and regular monitoring of market developments and technology trends at the national and international levels.

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 \$192.4 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 XXXVIII

AGREEMENT BETWEEN THE GOVERNMENT OF TURKMENISTAN 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 Turkmenistan (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 2.21 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.
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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of 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	6.8

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021	2022	2023	2024	2025	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	4.42	4.42	4.42	4.42	4.42	2.21	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	4.42	4.42	4.42	4.42	4.42	2.21	n/a	
2.1	Lead IA (UNIDO) agreed funding (US \$)	165,000	0	103,500	0	0	40,000	308,500	
2.2	Support costs for Lead IA (US \$)	11,550	0	7,245	0	0	2,800	21,595	
3.1	Total agreed funding (US \$)	165,000	0	103,000	0	0	40,000	308,500	
3.2	Total support costs (US \$)	11,550	0	7,245	0	0	2,800	21,595	
3.3	Total agreed costs (US \$)	176,550	0	110,745	0	0	42,800	330,095	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								2.21
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								2.38
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								2.21

*Date of completion of stage I as per stage I Agreement: 31 December 2021.

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. All the monitoring activities will be coordinated within the National Ozone Unit (NOU).

2. The NOU, under the Ministry of Agriculture and Environment Protection of Turkmenistan, is responsible for coordinating the country action plan with respect to ozone layer protection and facilitation of ODS phase-out. The NOU is in charge of implementing the country programmes under the Montreal Protocol. Implementation of the planned project activities will thus be allocated to the NOU in cooperation with the Lead IA. The NOU as a management body has responsibility towards the Ministry of Agriculture and Environment Protection of Turkmenistan as decision-making body.

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 4A;
 - (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.

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 XXXIX

AGREEMENT BETWEEN THE GOVERNMENT OF UGANDA 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 Uganda (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 zero ODP tonnes by 1 January 2030 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; and
 - (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;
- (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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	0.2

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.13	0.13	0.13	0.065	0.065	0.065	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.13	0.10	0.10	0.065	0.065	0.065	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	60,000	0	80,000	0	75,000	0	45,000	260,000
2.2	Support costs for Lead IA (US \$)	7,800	0	10,400	0	9,750	0	5,850	33,800
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	63,000	0	58,000	0	42,000	0	0	163,000
2.4	Support costs for Cooperating IA (US \$)	5,670	0	5,220	0	3,780	0	0	14,670
3.1	Total agreed funding (US \$)	123,000	0	138,000	0	117,000	0	45,000	423,000
3.2	Total support costs (US \$)	13,470	0	15,620	0	13,530	0	5,850	48,470
3.3	Total agreed costs (US \$)	136,470	0	153,620	0	130,530	0	50,850	471,470
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								0.13
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.07
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.0

*Date of completion of stage I as per stage I Agreement: 31 December 2021

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval no later 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 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 subparagraphs 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) will be monitoring the implementation of the project activities, which is included within the HPMP.
2. The NOU, with support from technical consultants for project management and monitoring component of HPMP and in coordination with the Lead and Cooperating IA, will monitor ODS licensing and quota system, manage and monitor HPMP activities including coordination with different projects and report on project implementation on a quarterly basis to the Lead IA. The NOU will also undertake tasks for coordinating with appropriate national agencies on project implementation and regulations enforcement for achieving HPMP targets. Independent verification, if needed, will be conducted by a consultant and will be arranged by the Lead IA.

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

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the 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 IA;
 - (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and 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 IA 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 IA 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 IA, 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 \$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.

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 XL

AGREEMENT BETWEEN THE GOVERNMENT OF ZAMBIA 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 Zambia (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 zero ODP tonnes by 1 January 2030 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;
- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	5.0

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	3.25	3.25	3.25	1.63	1.63	1.63	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	3.25	2.50	2.50	1.63	1.63	1.63	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	100,000	0	120,000	0	116,000	0	60,000	396,000
2.2	Support costs for Lead IA (US \$)	13,000	0	15,600	0	15,080	0	7,800	51,480
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	50,000	0	139,000	0	0	0	0	189,000
2.4	Support costs for Cooperating IA (US \$)	4,500	0	12,510	0	0	0	0	17,010
3.1	Total agreed funding (US \$)	150,000	0	259,000	0	116,000	0	60,000	585,000
3.2	Total support costs (US \$)	17,500	0	28,110	0	15,080	0	7,800	68,490
3.3	Total agreed costs (US \$)	167,500	0	287,110	0	131,080	0	67,800	653,490
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								3.25
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								1.75
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

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 will submit annual progress reports of status of implementation of the HPMP to the Lead IA.
2. Monitoring of progress 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 consultants by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the 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 IA;
 - (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 IA, 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 IA, 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 IA 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 IA 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 IA, 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 \$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.

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 XLI

AGREEMENT BETWEEN THE GOVERNMENT OF ZIMBABWE 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 Zimbabwe 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 zero ODP tonnes prior to 1 January 2030 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 and 4.3.3. (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; and
 - (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;
- (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) 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

- (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and the 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 the Lead IA and Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	16.86
HCFC-141b	C	I	0.94
Sub-total	C	I	17.8
HCFC-141b contained imported pre-blended polyols	C	I	6.11
Total	C	I	23.91

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	11.57	11.57	11.57	11.57	5.78	5.78	5.78	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	11.57	11.57	11.57	11.57	5.78	5.78	5.78	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	150,000	0	192,500	0	0	192,500	0	105,000	640,000

Row	Particulars	2020	2021-2022	2023	2024	2025-2026	2027	2028-2029	2030	Total
2.2	Support costs for Lead IA (US \$)	18,844	0	24,183	0	0	24,183	0	13,190	80,400
2.3	Cooperating IA (UNDP) agreed funding (US \$)	100,000	0	150,000	0	0	150,000	0	0	400,000
2.4	Support costs for Cooperating IA (US \$)	7,000	0	10,500	0		10,500	0		28,000
3.1	Total agreed funding (US \$)	250,000	0	342,500	0	0	342,500	0	105,000	1,040,000
3.2	Total support costs (US \$)	25,844	0	34,683	0	0	34,683	0	13,190	108,400
3.3	Total agreed costs (US \$)	275,844	0	377,183	0	0	377,183	0	118,190	1,148,400
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									11.57
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									5.29
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)									0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)									0.94
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)									0.00
4.3.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)									0.00
4.3.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)									6.11
4.3.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)									0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2021.

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) will submit annual progress reports on the status of implementation of the Plan to the Lead IA.
2. Monitoring, reporting and verification indicators will be used for the monitoring of the project milestones. The NOU will provide overall coordination of all the activities under the Plan, such as training, certification, and awareness dissemination, in line with the Agreement between the Government of Zimbabwe and the implementing agencies.
3. The Refrigeration and Air-conditioning Association has established a database of all the members and will support the NOU in organizing training workshops and certification of technicians, and monitoring codes of conduct and practice of technicians.
4. The NOU, with the assistance of the implementing agencies, will prepare progress reports on tranche implementation for the Executive Committee.

5. The implementing agencies will play a monitoring and supervisory role to ensure that agreed milestones are achieved and will organize independent verifications to ensure that the project is on track and in line with the Agreements.

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 IA;
 - (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 IA, 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 IA, 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 IA 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 IA 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 IA, 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 \$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.

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 XLII

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

Purpose

1. This Agreement represents the understanding of the Government of the Dominican Republic (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 zero ODP tonnes by 1 January 2030 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 and 4.4.3 (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) 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

- (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. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP 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 the Lead IA and/or Cooperating 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 Cooperating IA 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 IA 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 IA with the fees set out in rows 2.2 and 2.4 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, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

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	50.41
HCFC-123	C	I	0.19
HCFC-141b	C	I	0.60
Sub-total			51.20
HCFC-141b contained in imported pre-blended polyols	C	I	19.51
Total	C	I	70.71

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	33.28	33.28	33.28	33.28	16.64	16.64	16.64	16.64	16.64	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances 1(ODP tonnes)	30.72	30.72	30.72	30.72	16.64	16.64	16.64	1.28	1.28	0	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	603,005	0	964,808	0	0	603,005	0	0	241,202	0	2,412,020
2.2	Support costs for Lead IA (US \$)	42,210	0	67,537	0	0	42,210	0	0	16,884	0	168,841
2.3	Cooperating IA (UNEP) agreed funding (US \$)	69,475	0	111,160	0	0	69,475	0	0	27,790	0	277,900
2.4	Support costs for Cooperating IA (US \$)	9,032	0	14,451	0	0	9,032	0	0	3,613	0	36,127
3.1	Total agreed funding (US \$)	672,480	0	1,075,968	0	0	672,480	0	0	268,992	0	2,689,920
3.2	Total support costs (US \$)	51,242	0	81,987	0	0	51,242	0	0	20,497	0	204,968
3.3	Total agreed costs (US \$)	723,722	0	1,157,955	0	0	723,722	0	0	289,489	0	2,894,888
4.1.1	Total phase-out of HCFC 22 agreed to be achieved under this Agreement (ODP tonnes)											28.02
4.1.2	Phase-out of HCFC 22 to be achieved in the previous stages (ODP tonnes)											22.39
4.1.3	Remaining eligible consumption for HCFC 22 (ODP tonnes)											0.00
4.2.1	Total phase-out of HCFC 123 agreed to be achieved under this Agreement (ODP tonnes)											0.19
4.2.2	Phase-out of HCFC 123 to be achieved in the previous stages (ODP tonnes)											0.00
4.2.3	Remaining eligible consumption for HCFC 123 (ODP tonnes)											0.00
4.3.1	Total phase-out of HCFC 141b agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.3.2	Phase-out of HCFC 141b to be achieved in the previous stages (ODP tonnes)											0.60
4.3.3	Remaining eligible consumption for HCFC 141b (ODP tonnes)											0.00
4.4.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.4.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stages (ODP tonnes)											19.51
4.4.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)											0.00

*Date of completion of stage II as per stage II Agreement: 31 December 2021

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 Programme (PRONAOZ) of the Ministry of Environment and Natural Resources (MARN) shall be responsible for coordinating the actions associated with each programme and projects through collaborating with various areas of the Ministry; as well as with other government agencies such as the General Customs Directorate of the Ministry of Treasury, between others.
2. To support the implementation of projects in different sectors, national and/or international consultants will be hired, if necessary, to implement the various activities and offer support to the PRONAOZ in coordination with key actors, including other Ministries, Agencies and the private sector.
3. PRONAOZ have the full support of the Government. The MARN has ensured the adoption of the laws and the implementation of necessary national regulations to guarantee the country's compliance with the Montreal Protocol agreements.
4. For the adequate implementation of these projects, it is essential to continue to have the active participation of relevant public sector counterparts, such as the General Customs Directorate, which actively participates in the definition and implementation of import and export control processes of HCFC.
5. The Lead IA shall have the overall responsibility of reporting to the Executive Committee, and of supporting the Country in the implementation of the non-investment components that are not implemented by the Cooperating IA.
6. Before each Executive Committee meeting is held to discuss a tranche to receive funding, PRONAOZ will prepare a report on the status of activities and progress together with the Lead IA and with the help of the Cooperating IA, including the milestones and other key performance indicators as well as any other information of interest for the implementation of the Plan. This report will be reviewed and verified by the Lead IA and will then be sent to the Executive Committee through the Secretariat of the Multilateral Fund.
7. A project coordinator will be hired with funding from the Project Management Unit and will report to the National Ozone Officer. The project coordinator will coordinate the daily activities in the project and will assure that all activities are in line with the approved work plan.

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 4A;
 - (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 IA;
- (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the 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 IA 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 IA 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 IA, 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 \$191 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 XLIII

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

Purpose

1. This Agreement represents the understanding of the Government of Panama (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 zero ODP tonnes by 1 January 2030 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, 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 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 coordinated 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	22.24
HCFC-123	C	I	0.05
HCFC-124	C	I	0.01
HCFC-141b	C	I	2.30
HCFC-142b	C	I	0.18
Sub-total			24.78
HCFC-141b contained in imported pre-blended polyols	C	I	2.50
Total			27.28

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	16.11	16.11	16.11	16.11	8.05	8.05	8.05	8.05	8.05	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	16.11	16.11	16.11	16.11	8.05	8.05	8.05	0.62	0.62	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	206,800	0	497,612	0	0	458,838	0	0	129,250	0	1,292,500
2.2	Support costs for Lead IA (US \$)	14,476	0	34,833	0	0	32,119	0	0	9,047	0	90,475
3.1	Total agreed funding (US \$)	206,800	0	497,612	0	0	458,838	0	0	129,250	0	1,292,500
3.2	Total support costs (US \$)	14,476	0	34,833	0	0	32,119	0	0	9,047	0	90,475
3.3	Total agreed costs (US \$)	221,276	0	532,445	0	0	490,957	0	0	138,297	0	1,382,975
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											13.15
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)											9.09
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)											0.05
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)											0.00
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)											0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)											0.01
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)											0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)											2.30

Row	Particulars	2020	2021-2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
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)											0.18
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)											0.00
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)											0.00
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)											0.00
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)											2.50
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)											0.00

Note: Date of completion of stage II as per stage II Agreement: 31 December 2021.

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 higher monitoring function will be discharged by the Ministry of Health through its General Direction of Health and the Sub-direction of Environmental Health, which supervise the National Ozone Unit.
2. Additionally, the operational monitoring activities will be carried out within the Plan implementation, through the monitoring and implementation component, and will include the implementation of all the projects within the Plan; the regular monitoring of the project implementation and results; the production of periodic reports on project results in order to facilitate corrective actions; the production of timely project progress reports to the Executive Committee; and the regular monitoring of market developments and trends at the national and international levels.

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) Ensuring that appropriate independent technical experts carry out the technical reviews;

- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (k) Providing assistance with policy, management and technical support when required, and
- (l) 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 \$193.05 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 XLIV

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

Purpose

1. This Agreement represents the understanding of the Government of Uruguay (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 zero ODP tonnes by 1 January 2030 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, 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 III 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	21.08
HCFC-123	C	I	0.04
HCFC-124	C	I	0.09
HCFC-141b	C	I	1.49
HCFC-142b	C	I	0.63
Sub-total			23.33
HCFC-141b contained in pre-blended polyols	C	I	5.33
Total			28.66

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	15.16	15.16	15.16	15.16	15.16	7.58	7.58	7.58	7.58	7.58	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	15.16	15.16	15.16	15.16	15.16	7.58	7.58	7.58	0.58	0.58	0	n/a
2.1	Lead IA UNDP agreed funding (US \$)	350,601	0	0	445,318	0	0	354,339	0	0	138,912	0	1,289,170
2.2	Support costs for Lead IA(US \$)	24,542	0	0	31,172	0	0	24,804	0	0	9,724	0	90,242

Row	Particulars	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
3.1	Total agreed funding (US \$)	350,601	0	0	445,318	0	0	354,339	0	0	138,912	0	1,289,170
3.2	Total support costs (US \$)	24,542	0	0	31,172	0	0	24,804	0	0	9,724	0	90,242
3.3	Total agreed costs (US \$)	375,143	0	0	476,490	0	0	379,143	0	0	148,636	0	1,379,412
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)												13.43
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)												7.65
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)												0.00
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)												0.04
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)												0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)												0.00
4.3.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)												0.09
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)												0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)												0.00
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)												1.49
4.4.3	Remaining eligible consumption HCFC-141b (ODP tonnes)												0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)												0.00
4.5.2	Phase-out of HCFCs of HCFC-142b to be achieved in previously approved projects (ODP tonnes)												0.63
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)												0.00
4.6.1	Total phase-out of HCFC-141b in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)												0.00
4.6.2	Phase-out of HCFC-141b in imported pre-blended polyols to be achieved in previous stages (ODP tonnes)												5.33
4.6.3	Remaining eligible consumption for HCFC-141b in imported pre-blended polyols (ODP tonnes)												0.00

*Date of completion of stage II as per stage II Agreement: 31 December 2021.

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 project coordination and management of the Plan will be under the responsibility of the Project Monitoring Unit within the National Ozone Unit (NOU), a part of the National Environmental Directorate (DINAMA) of the Ministry of Housing, Land planning and Environment (MVOTMA). The NOU is directly responsible for the implementation of Montreal Protocol related activities in the country, and in particular, for the identification, implementation, monitoring and evaluation of all non-investment, investment, and technical assistance activities. The most important strategic partners of the NOU are as follows:

- (a) National Customs Directorate (DNA) with whom the NOU shares the responsibility for the implementation of the HCFC import licensing system and control trade of HCFC;
- (b) Technological Laboratory of Uruguay (LATU) functioning as technical branch for the NOU;
- (c) Technological University of Uruguay (UTU) supporting training activities and assessment of new technologies; and
- (d) Importers of HCFCs and HCFC blends who provide information that allows validation of customs data, tracking of stockpiles, downstream HCFC applications.

2. The Government is fully supportive of the NOU. MVOTMA has ensured—and will assure in the future—passage of all necessary national laws and regulations. The NOU is part of the Climate Change Division (DCC) which sustains a key role in the Uruguayan environmental agenda, so ozone protection matters will have an important participation on national strategies and environmental policies.

3. The Lead IA, acting through its country office, has the overall financial and substantive oversight over the execution of the Plan. The NOU is required to provide regular expenditure report to the Lead IA.

4. The NOU will prepare for each tranche request a status report on its activities and achievements including milestones and other performance targets as well as any other information of interest to the implementation of the Plan. This report will be reviewed and verified by the Lead IA and then submitted to the Multilateral Fund Secretariat for its review and potential presentation to the Executive Committee of the Multilateral Fund.

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 4A;
 - (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;
- (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 \$192 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 XLV

UPDATED REVISED AGREEMENT BETWEEN THE GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL 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 the Federative Republic of Brazil (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 730.02 ODP tonnes by 1 January 2021 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 (“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. 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 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.

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 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; 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;

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

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. UNDP has agreed to be the lead implementing agency (the “Lead IA”); UNIDO and the Governments of Germany and 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). 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 will reach consensus on the arrangements regarding inter-agency planning including regular co-ordination meetings, reporting and responsibilities under this Agreement in order to facilitate a co-ordinated implementation of the Plan. 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.

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 kilogram 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 not 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 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 updated Agreement supersedes the Agreement reached between the Government of Brazil and the Executive Committee at the 82nd 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	792.0
HCFC-141b	C	I	521.7
HCFC-142b	C	I	5.6
HCFC-123	C	I	0.3
HCFC-124	C	I	7.7
Total			1,327.3

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1,194.60	1,194.60	1,194.60	1,194.60	1,194.60	862.74	862.74	862.74	862.74	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1,194.60	1,194.60	1,194.60	1,194.60	1,194.60	862.74	730.02	730.02	730.02	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	3,078,900	0	2,627,704	7,168,396	0	0	3,895,000	0	0	16,770,000
2.2	Support costs for Lead IA (US \$)	215,523	0	183,939	501,788	0	0	272,650	0	0	1,173,900
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	1,950,275	0	0	1,902,953	0	0	116,000	0	0	3,969,228
2.4	Support costs for Cooperating IA (US \$)	136,519	0	0	133,207	0	0	8,120	0	0	277,846
2.5	Cooperating IA (Germany) agreed funding (US \$)	1,299,386	0	686,978	2,363,637	0	1,004,545	1,500,000	0	872,727	7,727,273
2.6	Support costs for Cooperating IA (US \$)	144,614	0	76,457	263,059	0	111,800	166,941	0	97,129	860,000
2.7	Cooperating IA (Italy) agreed funding (US \$)	250,000	0	0	0	0	0	0	0	0	250,000
2.8	Support costs for Cooperating IA (US \$)	32,500	0	0	0	0	0	0	0	0	32,500
3.1	Total agreed funding (US \$)	6,578,561	0	3,314,682	11,434,986	0	1,004,545	5,511,000	0	872,727	28,716,501
3.2	Total support costs (US \$)	529,156	0	260,396	898,053	0	111,800	447,711	0	97,129	2,344,246
3.3	Total agreed costs (US \$)	7,107,717	0	3,575,078	12,333,039	0	1,116,345	5,958,711	0	969,856	31,060,747
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										163.16
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										51.50
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										577.34
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										300.90
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)										168.80
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										52.00
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)										0.00
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)										5.60
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.4.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)										0.00
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)										0.30
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)										0.00
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)										7.70

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 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 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 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 Environment (Ministério do Meio Ambiente - MMA) is responsible for the overall coordination of activities to be undertaken in the HPMP and acts as the National Ozone Unit (NOU). The Brazilian Institute of Environment and Natural Renewable Resources (IBAMA) is the enforcement institution linked to MMA which is responsible for carrying out national policies and legislations regarding the control of ODS. The NOU (under MMA) monitors at the managerial level the consumption of all ODS. IBAMA controls through the licensing system, the ODS consumption (import and export) and at the end-user level. The Lead and Cooperating IAs will be responsible for implementing and monitoring the activities under their responsibility.

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

3. Close monitoring of all activities and coordination between stakeholders is an essential element of the HPMP and is key to reach compliance. There will be regular co-ordination meetings with industry stakeholders, HCFC importers, relevant Government stakeholders (i.e. PROZON), 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 the enterprise level. Yearly monitoring will be carried out through the ODS licensing and quota system. Verification site visits will be undertaken by independent international experts and a verifier.

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 \$154.98 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 XLVI

REVISED AGREEMENT BETWEEN THE GOVERNMENT OF LEBANON 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 Lebanon (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 18.39 ODP tonnes by 1 January 2024 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;
- (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, and
- (e) That, for the first tranche that is due on a year after the date of completion of the previous stage of the HPMP (as defined in paragraph 14 of the Agreement associated to the previous stage), all tranches from the previous stage have been completed, remaining funds have been returned to the Multilateral Fund (as established in paragraph 7 of the Agreement associated to the previous stage) and the corresponding project completion reports have been submitted to the Executive Committee.

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; and
 - (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;
- (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 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 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;
- (e) The Country commits to examining the possibility of using pre-blended systems with low-global warming potential 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; 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 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;
- (b) The Country would take into consideration relevant actions that could minimize adverse climate impact when phasing out HCFC in the refrigeration servicing sector; and
- (c) The Country would be encouraged to consider, as needed and feasible, the development of regulations and codes of practice; the adoption of standards for the safe introduction of flammable and/or toxic refrigerants; the implementation of measures to limit the import of HCFC-based equipment and to facilitate the introduction of energy-efficient and climate-friendly alternatives; and implementation of activities in the refrigeration servicing sector on training of technicians and introduction of good service practices such as the safe handling of refrigerants, containment and recovery and recycling and reuse of refrigerants rather than retrofitting.

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 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 revised Agreement supersedes the Agreement reached between the Government of Lebanon and the Executive Committee at the 75th 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	35.95
HCFC-123	C	I	0.05
HCFC-141b	C	I	37.53
Total	C	I	73.50

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	66.15	66.15	66.15	66.15	66.15	47.78	47.78	47.78	47.78	23.88	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	66.15	66.15	60.64	60.64	48.71	36.78	36.78	27.58	27.58	18.39	n/a	
2.1	Lead IA (UNDP) agreed funding	2,410,000	0	0	1,114,000	0	420,462	0	0	259,364	0	4,203,826	
2.2	Support costs for Lead IA	168,700	0	0	77,980	0	29,432	0	0	18,155	0	294,268	
3.1	Total agreed funding (US \$)	2,410,000	0	0	1,114,000	0	420,462	0	0	259,364	0	4,203,826	
3.2	Total support costs (US \$)	168,700	0	0	77,980	0	29,432	0	0	18,155	0	294,268	
3.3	Total agreed costs (US \$)	2,578,700	0	0	1,191,980	0	449,894	0	0	277,519	0	4,498,094	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)												14.22
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)												9.41
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												12.32
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)												0.05
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
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)												22.43
4.3.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)												15.10
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)												0

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval 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. The monitoring process will be managed by the Ministry of Environment through the National Ozone Unit (NOU) with the assistance of the Lead IA.
2. The consumption will be monitored and determined based on official import and export data for the Substances recorded by relevant government departments.
3. The NOU shall compile and report the following data and information on an annual basis on or before the relevant due dates:
 - (a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and
 - (b) Annual reports on progress of implementation of the HPMP to be submitted to the Executive Committee of the Multilateral Fund.
4. The NOU and Lead IA will engage an independent and qualified entity to carry out a qualitative and quantitative performance evaluation of the HPMP implementation.
5. The evaluating entity shall have full access to relevant technical and financial information related to implementation of the HPMP.
6. The evaluating entity shall prepare and submit to the NOU and the Lead IA, a consolidated draft report at the end of each annual implementation plan, comprising of the findings of the evaluation and recommendations for improvements or adjustments, if any. The draft report shall include the status of the Country's compliance with the provisions of this Agreement.
7. Upon incorporating the comments and explanations as may be applicable, from the NOU and Lead IA, the evaluating entity shall finalize the report and submit to the NOU and Lead IA.
8. 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 annual implementation plan and reports.

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

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the 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; 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 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 \$147 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 XLVII

**DRAFT DECISION ON AGENDA ITEM 13(c):
DRAFT GUIDELINES FOR THE PREPARATION OF HFC PHASE-DOWN PLANS FOR
ARTICLE 5 COUNTRIES
(WORKING TEXT)**

The Executive Committee may wish:

- (a) To note document UNEP/OzL.Pro/ExCom/86/88 on the draft guidelines for the preparation of HFC phase-down plans [Kigali/HFC implementation plan/KHMP] for Article 5 countries;
- (b) To include in the funding for the preparation of an overarching strategy for stage I of the HFC phase-down assistance [building upon HCFC phase-out management plans (HPMPs)] for:
 - (i) [An overview of] [Updating] [Extending the existing] [The development] of legislation, policies and regulations [for import/export] as required to extend the existing operational import/export licensing and quota systems to controlled substances under Annex F (HFCs) of the Montreal Protocol, and [to ensure limits [to prevent growth] including measures for reduction in HFC consumption sustained over time] on growth or reductions in HFC consumption that were sustained over time;
 - (ii) The carrying out of a survey of HFC consumption [and production where applicable] and their sectoral distribution [taking into account previous surveys conducted], and [comprehensive] surveys, [and national inventory] of enterprises in the manufacturing and servicing sectors, with analysis of the data to estimate the HFC baselines for compliance;
 - (iii) The development and finalization of the overarching strategy for stage I of the HFC phase-down plan to address the freeze and 10 per cent reduction in HFC consumption [taking into account the potential efficiency of integrated and parallel implementation with HPMPs];
 - (iv) The development of a strategy and plan of action related to the refrigeration servicing sector [taking into account the potential efficiency and opportunities for synergies of integrated and parallel implementation with HPMPs] particularly for those Article 5 countries where the majority of the HFC consumption is in this sector;
 - (v) [Integrated compliance strategy (UNEP/OzL.Pro/ExCom/86/87);]
 - (vi) [Description of national initiatives, framework, actors and institutional capacity to enhance energy efficiency in the refrigeration and air-conditioning sector;]
- (c) To provide funding [to Article 5 countries that have ratified Kigali Amendment] for the elements described in sub-paragraph (b)(i) to (iv) above as specified in the table below, based on the country's HCFC consumption baseline:

HCFC baseline (ODP tonnes)	Funding for preparation of stage I of the HFC phase-down plan (US \$)
Below 1	100,000
1 and up to 6	130,000
Above 6 and up to 20	170,000
Above 20 and up to 100	190,000
Above 100 and up to 1,000	220,000
Above 1,000 and up to 2,000	230,000
Above 2,000	case by case

[Discount for previous surveys conducted]

[For those countries which have not ratified the Kigali Amendment but included commitment to ratify, to approve in principle and withhold funding until ratification]

- (d) To determine and provide funding for the preparation of stage I of any regional HFC phase-down plans and those countries with an HCFC baseline consumption above 2,000 ODP tonnes on a case-by-case basis;
- (e) [For countries that choose to implement individual HFC investment projects in advance of submission of stage I of the HFC phase-down plans, the approval of each project should result in a phase-out of HFCs to count against the eligible consumption identified in the HFC phase-down plan and should indicate how the investment project would relate to meeting the overarching strategy for the country, and when the HFC phase-down plan would be submitted;]
- (f) To provide funding for any Article 5 country with a manufacturing sector using HFCs according to the number of manufacturing enterprises to be converted in line with decision 56/16(d) and (f), as follows:
 - (i) One enterprise to be converted in a manufacturing sector: US \$30,000;
 - (ii) Two enterprises to be converted in a manufacturing sector: US \$60,000;
 - (iii) Three to 14 enterprises to be converted in a manufacturing sector: US \$80,000;
 - (iv) Fifteen or more enterprises to be converted in a manufacturing sector: US \$150,000; and
 - (v) To limit the maximum funding provided for the preparation of the investment component for any country according to the table below:

HCFC baseline (ODP tonnes)	Funding limit (US \$)
Up to 100	100,000
101–300	200,000
301-500	250,000
501–1,000	300,000
1,001 and above	400,000

- (g) To request bilateral and implementing agencies, when submitting stage I of the HFC phase-down plans on behalf of Article 5 countries, to include:

- (i) Confirmation that the country has an established and enforceable national system of licensing and quotas for monitoring HFC imports/exports in place, consistent with decision 63/17;
 - (ii) [The Government's commitment [specific actions to be included in the plan] to ensure limits on growth in HFC consumption and to sustained over time the phase-out of HFCs achieved;]
 - (iii) [HCFC and HFCs integrated work for the servicing sector;]
 - (iv) [Overview of activities previously funded;]
 - (v) [Institutional capacity; and]
- (h) To request the Secretariat to prepare, with the assistance of the bilateral and implementing agencies, a Guide for preparation of stage I of HFC phase-down plans that could be used by Article 5 countries.

Annex XLVIII

**DRAFT DECISION ON AGENDA ITEM 13(g)(ii):
FRAMEWORK FOR CONSULTATIONS WITH RELEVANT FUNDS AND FINANCIAL
INSTITUTIONS TO EXPLORE THE MOBILIZATION OF ADDITIONAL FINANCIAL
RESOURCES FOR MAINTAINING OR ENHANCING ENERGY EFFICIENCY WHEN
REPLACING HFCs WITH LOW GLOBAL-WARMING POTENTIAL REFRIGERANTS IN
THE REFRIGERATION AND AIR-CONDITIONING SECTOR
(WORKING TEXT)**

The Executive Committee may wish:

- (a) [To request the Secretariat to prepare a report for the first meeting of the Executive Committee in 2022 identifying options within the Multilateral Fund as well as working with other financial institutions [including those willing to align with the Multilateral Fund] [whose procedures could be aligned with the Multilateral Fund], [procedures, and the modalities for mobilizing financial resources for maintaining and/or enhancing energy efficiency when replacing HFCs with low-GWP alternatives in the refrigeration, air-conditioning and heat pump (RACHP) sectors] [including consideration of innovative funding models such as incentives and concessional finance, estimate costs and benefits of potential interventions to maintain or enhance energy efficiency through]:
 - (i) Installation and maintenance;
 - (ii) Manufacturing sector conversions; and
 - (iii) Broad energy efficiency policy measures (e.g. minimum energy performance standards, labelling, or consumer incentives).
- (b) To request the Secretariat as part of the report referred to sub-paragraph (?) above to identify the relevant procedures and conditionalities for funding from those other financial institutions [including multilateral development banks, climate investment funds, bilateral development banks, the Green Climate Fund and the Global Environment Facility] on energy efficiency to enable co-financing alongside or to align with Multilateral Fund projects [and the possibility of these institutions aligning with the Multilateral Fund, procedures, and the modalities for mobilizing financial resources for maintaining and/or enhancing energy efficiency];
- (c) [Recommendations for the consideration of the Executive Committee for channeling these funds through the Multilateral Fund for maintaining and/or enhancing the energy efficiency over and above the funds for phase down of HFCs at the time of approval of the projects in the following RACHP sector:]
 - (i) Installation and maintenance;
 - (ii) Manufacturing sector conversions; and
 - (iii) Broad energy efficiency policy measures (e.g. minimum energy performance standards, labelling, or consumer incentives).

Australia proposal

[To invite Executive Committee members to submit their views by [14 May 2021] on the following issues in relation to reaching out to other funds and institutions for the purpose of mobilizing resources to support enhancing energy efficiency when phasing down HFCs:

- (a) Which institutions should be formally approached?
- (b) Which types of activities and projects related to enhancing energy efficiency could be considered for potential funding from sources outside of the Multilateral Fund?
- (c) Which types of collaborative arrangements should the Multilateral Fund consider with other institutions?
- (d) What key questions does the Executive Committee needs to be answered from these institutions?
- (e) Proposed revisions to the information note in Annex II of document UNEP/OzL.Pro/ExCom/86/93 that could be shared with institutions that are consulted.

[To request the Secretariat to compile all submissions received from Executive Committee members in line with sub-paragraph (?) above] and to continue to discuss the issues of consulting with other funds and financial institutions at the 87th meeting taking into account document UNEP/OzL.Pro/ExCom/86/93.]

Annex XLIX

**DRAFT DECISION ON AGENDA ITEM 13(h):
KEY ASPECTS RELATED TO HFC-23 BY-PRODUCT CONTROL TECHNOLOGIES:
ARGENTINA (DECISION 84/90)
(WORKING TEXT)**

[The Executive Committee decided to:

- (a) Note the key aspects related to HFC-23 by-product control technologies: Argentina (decision 84/90) contained in document UNEP/OzL.Pro/ExCom/86/95;
- (b) Approve, in principle, US \$1,700,000, plus agency support costs of US \$119,000 calculated at 7 per cent of the project cost for UNIDO, to enable the Government of Argentina to comply with the HFC-23 by-product emission control obligations under the Kigali Amendment to the Montreal Protocol, on the understanding that:
 - (i) The Government of Argentina would ensure that by 1 January 2022 and thereafter, emissions of HFC-23 by-product from the HCFC-22 production line were destroyed in compliance with the Montreal Protocol, including ensuring emissions from its line are at or below 0.1 kg of HFC-23 emissions per 100 kg of HCFC-22 produced;
 - (ii) A maximum amount of US \$274,872, within the total funding approved, is associated with incremental operating costs, and would be divided in annual tranches to be provided to Argentina upon verification of the quantity of HFC-23 destroyed;
 - (iii) The amount of incremental operating costs in each annual tranche will be calculated by multiplying the quantity of HFC-23 destroyed in metric tonnes by US \$0.76/kg;
 - (iv) The Government of Argentina would have flexibility to use the funding approved in principle indicated in sub-paragraph (b) above for compensating the production plant, Frio Industrias Argentinas (FIASA), for closing its HCFC-22 production line should FIASA decide to permanently close its HCFC-22 production line prior to 1 January 2024, except for any funds approved for independent verification for years subsequent to the year of the production closure, which should be returned to the Multilateral Fund, and on the understanding that any production at this facility of any other substance listed in Annexes C or F to the Protocol will not be eligible for funding;
 - (v) The project would be completed by 1 January 2031;
 - (vi) The Government of Argentina commits that there will be no additional funding from other sources for HFC-23 by-product emissions control at this facility during or after completion of the project, including HFC-23 credits or offsets;
- (c) Note:
 - (i) That the funding approved in principle specified in sub-paragraph (b) above is the total funding that would be available to the Government of Argentina from the

Multilateral Fund for the control of HFC 23 by-product emissions;

- (ii) The costs agreed for this project recognize the special circumstances of the project in Argentina and do not set a precedent for any other projects for the control of HFC-23 by-product emissions;
- (d) Request the Secretariat, in cooperation with UNIDO, to prepare a draft Agreement between the Government of Argentina and the Executive Committee for the control of HFC-23 by product emissions for consideration at the 87th meeting, in light of the guidance provided by the Executive Committee at the 86th meeting and in accordance with this decision;
- (e) Approve the first tranche of the HFC-23 by-product control emissions for Argentina at the amount of US \$1,285,128, plus agency support costs of US \$89,959 for UNIDO; and
- (f) Request the Government of Argentina, through UNIDO, to submit an annual implementation plan based on the draft agreement for consideration at the 87th meeting.]

Balances on projects returned at the 86th meeting

Agency	Project costs (US \$)	Support costs (US \$)	Total (US \$)
Japan* (decision 86/4(a)(iv))	126	16	142
UNDP (decisions 86/4(a)(ii) and 86/90(b)(iii))	4,818,275	340,294	5,158,569
UNEP (decisions 86/4(a)(ii), 86/16(c) and 86/61(b))	1,790,679	147,002	1,937,681
UNIDO (decisions 86/4(a)(ii) and 86/89(a)(iv)a.	1,539,002	109,706	1,648,708
World Bank (decisions 86/4(a)(ii))	108,881	52,061	160,942
Total	8,256,963	649,079	8,906,042

*Cash transfer.

Interest accrued, exchange rate gains and income from investment

Agency	Amount (US \$)	Remarks
UNDP (decision 86/6(b)(i))	1,302,751	Account reconciliation – Interest
UNEP (decision 86/6(b)(ii))	1,544,588	Account reconciliation - Interest and exchange rate gain
World Bank (decision 86/6(b)(iii))	1,930,263	Account reconciliation - Income from investment
World Bank (decision 86/6(b)(iii))	4,436,475	Account reconciliation - Funds returned from the 83 rd and 84 th meetings
UNIDO (decision 86/32(a))	5,665	Interest - China - HPMP (stages I and II - foam XPS)
World Bank (decision 86/32(b))	3,879	Interest - China - HPMP (stages I and II - foam PU)
UNDP (decision 86/32(c))	86,874	Interest - China - HPMP (stages I and II – refrigeration ICR)
UNIDO (decision 86/32(d))	26,213	Interest - China - HPMP (stages I and II - refrigeration RAC)
UNEP (decision 86/32(e))	7,472	Interest - China - HPMP (stages I and II - refrigeration servicing)
UNDP (decision 86/32(f))	891	Interest - China - HPMP (stage II – solvent)

Penalty

Agency	Project costs (US \$)	Support costs (US \$)	Total (US \$)
UNDP (decision 86/42(c))	6,270	470	6,740
UNEP (decision 86/42(c))	4,180	543	4,723

Net allocations based on decisions of the 86th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
Australia	375,000	48,603	423,603
France	616,500	71,310	687,810
Germany	2,900,967	326,460	3,227,427
Japan	110,000	14,300	124,300
UNDP	12,069,530	3,059,932	15,129,462
UNEP	13,490,589	1,343,843	14,834,432
UNIDO	2,608,155	2,213,202	4,821,357
World Bank*	0	0	0
Total	32,170,741	7,077,650	39,248,391

* US \$4,796,559 will be offset against the approvals at the 87th meeting due to excess of returns over approvals at 86th meeting.