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EXECUTIVE COMMITTEE OF
 THE MULTILATERAL FUND FOR THE
 IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-seventh Meeting

Montreal, 28 June-2 July 2021

**UPDATE ON THE STATUS OF IMPLEMENTATION OF**

**THE 2021–2023 CONSOLIDATED BUSINESS PLAN OF THE MULTILATERAL FUND**

**Introduction**

# This document consists of:

## Part I: An update on the status of the implementation of the 2021–2023 business plans

## Part II: Resource allocation for the 2018–2020 triennium

## Part III: Reports on dialogues concerning qualitative performance indicators

 Recommendation

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## **PART I: UPDATE ON THE STATUS OF THE IMPLEMENTATION OF THE 2021–2023 BUSINESS PLANS**

# At its 86th meeting, the Executive Committee endorsed the 2021–2023 consolidated business plan of the Multilateral Fund. In response to decision 86/45, the Secretariat adjusted the consolidated 2021–2023 business plan, as shown in Table 1.

**Table 1. Resource allocation of the adjusted 2021–2023 consolidated business plans of the Multilateral Fund (US $)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Description** | **2021** | **2022** | **2023** | **Total**  |
| **HCFC activities** |
| Approved HCFC phase-out management plans (HPMPs) | 70,475,821 | 25,976,975 | 47,114,077 | 143,566,873 |
| HCFC production – stage II | 0 | 23,232,000 | 0 | 23,232,000 |
| HPMP PRP – stage II | 111,700 | 104,300 | 0 | 216,000 |
| HPMP stage II | 15,990,112 | 4,044,477 | 12,316,504 | 32,351,093 |
| HPMP PRP – stage III | 1,057,040 | 709,410 | 32,700 | 1,799,150 |
| HPMP stage III | 3,548,717 | 18,044,054 | 37,858,659 | 59,451,430 |
| HPMP verification | 588,600 | 588,600 | 588,600 | 1,765,800 |
| **HCFC activities subtotal** | **91,771,990** | **72,699,816** | **97,910,540** | **262,382,346** |
| **HFC activities** |
| HFC – enabling activities | 267,500 | 214,000 | 0 | 481,500 |
| HFC – investment | 14,088,690 | 0 | 0 | 14,088,690 |
| HFC phase-down plan – PRP | 9,699,078 | 3,405,003 | 111,820 | 13,215,901 |
| HFC phase-down plan  | 0 | 22,918,072 | 2,616,956 | 25,535,028 |
| **HFC activities subtotal** | **24,055,268** | **26,537,074** | **2,728,777** | **53,321,119** |
| **Standard activities** |
| Institutional strengthening (IS) | 14,514,175 | 6,825,454 | 14,514,175 | 35,853,805 |
| Compliance Assistance Programme  | 11,095,078 | 11,427,930 | 11,770,768 | 34,293,775 |
| Core unit | 5,911,238 | 5,952,617 | 5,994,285 | 17,858,141 |
| Secretariat, Executive Committee, and Monitoring and Evaluation costs minus Canadian counterpart | 6,431,920 | 5,698,619 | 5,822,683 | 17,953,222 |
| Treasurer | 500,000 | 500,000 | 500,000 | 1,500,000 |
| **Standard activities subtotal** | **38,452,412** | **30,404,620** | **38,601,911** | **107,458,943** |
| **Grand total** | **154,279,670** | **129,641,510** | **139,241,228** | **423,162,408** |
| Australia | 0 | 0 | 0 | 0 |
| Austria | 391,833 | 0 | 783,667 | 1,175,500 |
| France | 0 | 0 | 671,075 | 671,075 |
| Germany | 4,776,414 | 1,749,466 | 1,045,498 | 7,571,378 |
| Italy | 264,840 | 0 | 0 | 264,840 |
| Japan | 301,032 | 0 | 67,800 | 368,832 |
| UK | 169,500 | 0 | 0 | 169,500 |
| UNDP | 34,829,052 | 44,309,669 | 60,681,076 | 139,819,796 |
| UNEP | 30,530,888 | 21,819,781 | 25,738,174 | 78,088,843 |
| UNIDO | 60,004,206 | 24,882,245 | 32,410,386 | 117,296,837 |
| IBRD | 15,491,385 | 30,093,130 | 10,932,270 | 56,516,784 |
| HPMP verification | 588,600 | 588,600 | 588,600 | 1,765,800 |
| Secretariat, Executive Committee, and Monitoring and Evaluation costs minus Canadian counterpart | 6,431,920 | 5,698,619 | 5,822,683 | 17,953,222 |
| Treasurer | 500,000 | 500,000 | 500,000 | 1,500,000 |

\* Funding for the preparation of HPMP verification reports for low-volume-consuming countries is approved by the Executive Committee on an annual basis.

**Status of implementation of the 2021 business plans**

# Table 2 sets out the submissions by agency to the 87th meeting (as at 18 June 2021), and the balance of funds from projects in the 2021 business plans.

**Table 2. 2021 consolidated business plan, projects recommended to the 87th meeting, and balance (US $)\***

|  |  |  |  |
| --- | --- | --- | --- |
| **Budget items** | **Total value in business plan** | **Activities reviewed/ recommended to the 87th meeting** | **Balance (above)/below** |
| Bilateral agencies | 5,903,619 | 1,064,543 | 4,839,076 |
| UNDP | 34,829,052 | 4,542,365 | 30,286,687 |
| UNEP | 30,530,888 | 6,512,328 | 24,018,560 |
| UNIDO | 60,004,206 | 5,609,616 | 54,394,590 |
| World Bank | 15,491,385 | 4,313,445 | 11,177,940 |
| HPMP verification | 588,600 | 0 | 588,600 |
| **Subtotal (agencies)** | **147,347,749** | **22,042,297** | **125,305,452** |
| Secretariat/Executive Committee/Monitoring and Evaluation (excluding Canadian counterpart) | 6,431,920 |  | 6,431,920 |
| Treasurer | 500,000 |  | 500,000 |
| **Subtotal (standard costs)** | **6,931,920** |  | **6,931,920** |
| **Total** | **154,279,670** | **22,042,297** | **132,237,373** |

\* Including core unit costs.

# The value of project proposals reviewed/recommended to the 87th meeting of US $22,042,297 is US $8,752,659 below its value in the 2021 business plan, and including US $1,003,880 associated with project proposals not included in the 2021 business plan.[[1]](#footnote-1)

# The value of HFC-related activities submitted to the 87th meeting is US $8,802,041 of which US $642,000 is associated with project proposals not included in the 2021 business plan. Annex I to the present document lists HFC-related projects submitted by the implementing agencies to the 87th meeting.

# **Forward commitments**

# The total amount for existing forward commitments for multi-year agreements (MYAs) for the period 2021 to 2031 is US $283.38 million, assuming that the funding requests of MYAs submitted to the 87th meeting will be approved in principle, as shown in Table 3.

**Table 3. Forward commitments (2021–2031) (US $000)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Description** | **2021** | **2022** | **2023** | **2024** | **2025** | **2026** | **2027** | **2028** | **2029** | **2030** | **2031** | **Total** |
| Approved in principle | 70,519 | 25,977 | 47,114 | 9,060 | 34,504 | 31,775 | 2,328 | 223 | 754 | 2,456 | 57 | 224,766 |
| Submitted to 87th meeting | 3,435 | 24,227 | 1,877 | 25,493 | 662 | 485 | 1,608 | 0 | 70 | 751 | 0 | 58,610 |
| **Total**  | **73,954** | **50,204** | **48,991** | **34,554** | **35,166** | **32,261** | **3,936** | **223** | **824** | **3,207** | **57** | **283,376** |

## **PART II: RESOURCE ALLOCATION FOR THE 2018–2020 TRIENNIUM**

# The resources approved by the Parties to the Montreal Protocol for the 2018–2020 triennium[[2]](#footnote-2) amount to US $540,000,000. Taking into account the total funding approvals in 2018, 2019 and 2020, interest accrued, paid contributions from non-Article 5 Parties, the gain/loss of the fixed exchange rate mechanism, and the Secretariat/Executive Committee/Treasurer expenditures, the cash available as of 9 June 2021 is US $334,427,526.

# In addition, taking into account the excess of cash over the approvals including the 86th meeting from the World Bank, the advance payment for the 2021–2023 triennium, the projects approved at the extended intersessional approval process established for the 86th  meeting (IAP-86ext), the penalty for projects approved at the 86th meeting, the return from the World Bank for the halon sector plan and the balance returns to the 87th meeting, the carry‑over for the 2018–2020 triennium would be US $309,705,337, as shown in Table 4.

**Table 4. Resource allocation for the 2018–2020 triennium**

|  |  |  |
| --- | --- | --- |
| **Description** |  | **Amount (US $)** |
| Balance available as at 9 June 2021 | (a) | 334,427,526 |
| World Bank excess of cash over approvals including 86th meeting  | (b) | 3,280,455 |
| Advance payment  for 2021-2023 triennium  | (c)  | 38,518,658 |
| Projects approved at the IAP-86ext | (d) | 548,972 |
| Penalty for project approved at the 86th meeting | (e)  | 11,463 |
| Return from the World Bank for halon sector plan   | (f) | 8,745,165 |
| Balance returns to the 87th meeting  | (g) | 2,308,358 |
| **Balance** | **(h= a+b-c-d+e+f+g)** | **309,705,337** |

**PART III: Reports on dialogues concerning qualitative performance indicators**

# At the 86th meeting, UNIDO was requested to *inter alia* have an open and constructive discussion with the national ozone unit in Iraq with respect to the assessment of its qualitative performance and to report to the 87th meeting on the outcome of the discussion (decision 86/8(b)).

# Accordingly, UNIDO has initiated dialogues and consultations with the Government of Iraq and UNEP (lead implementing agency), to focus on issues specific to UNIDO and ways to improve its performance; monitoring and discussing progress of all ongoing projects (national phase‑out plan and stage I of the HPMP); and future submission of projects. It has been agreed to have these consultations on a monthly basis with shared responsibility for arranging/conducting meetings between UNEP and UNIDO (each agency responsible for every second meeting).

# **RECOMMENDATION**

# The Executive Committee may wish to note:

## The update on the status of implementation of the 2021–2023 consolidated business plan of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/87/11;

## That the total value of activities submitted to the 87th meeting amounts to US $22,042,297 (including US $8,802,041 for HFC‑related activities), of which US $1,003,880 is associated with project proposals not included in the 2021 business plan; and

## With appreciation, the report provided by UNIDO on the outcome of its discussion with the Government of Iraq on the issues raised in the assessment of its qualitative performance, in line with decision 86/8(b).

**Annex I**

**HFC-RELATED ACTIVITIES SUBMITTED TO THE 87TH MEETING**

| **Country** | **Agency** | **Type** | **Sector** | **Project title** | **Amount recommended (US$)** | **Support costs recommended (US$)** |
| --- | --- | --- | --- | --- | --- | --- |
| Albania | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 31,500 | 4,095 |
| Albania | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 63,500 | 4,445 |
| Argentina | UNIDO | INV | PRO | Control and phase-out of HFC-23 emissions in production of HCFC-22 at FIASA | 1,700,838 | 119,059 |
| Armenia | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 19,500 |
| Bhutan | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 10,000 | 700 |
| Bhutan | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 75,000 | 9,750 |
| Bolivia (Plurinational State of) | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 170,000 | 11,900 |
| Burkina Faso | Germany | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 19,500 |
| Colombia | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 205,000 | 14,350 |
| Costa Rica | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |
| Cuba | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |
| Dominican Republic (the) | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 170,000 | 11,900 |
| Ecuador | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 190,000 | 13,300 |
| Egypt | UNIDO | INV | REF | Conversion of refrigeration compressor manufacturing facility from HFC-134a-based compressors to R-600a-based compressors at Misr Compressor Manufacturing Co. (MCMC) | 1,305,536 | 91,388 |
| Eswatini | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 30,000 | 2,100 |
| Eswatini | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 100,000 | 13,000 |
| Ghana | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 105,000 | 7,350 |
| Ghana | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 45,000 | 5,850 |
| Jordan | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |
| Kyrgyzstan | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 60,000 | 4,200 |
| Kyrgyzstan | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 25,000 | 3,250 |
| Lao People's Democratic Republic (the) | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 10,000 | 700 |
| Lao People's Democratic Republic (the) | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 75,000 | 9,750 |
| Lebanon | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |
| Liberia | Germany | PRP | PHA | Preparation of an HFC phase-down plan | 130,000 | 16,900 |
| Malaysia | IBRD | PRP | PHA | Preparation of an HFC phase-down plan | 250,000 | 17,500 |
| Maldives | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 10,000 | 700 |
| Maldives | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 75,000 | 9,750 |
| Mauritius | Germany | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 19,500 |
| Mexico | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 90,000 | 6,300 |
| Mexico | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 35,000 | 4,550 |
| Mexico | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 125,000 | 8,750 |
| Montenegro | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 85,000 | 5,950 |
| Nicaragua | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 170,000 | 11,900 |
| Niger (the) | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |
| Nigeria | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 25,000 | 1,750 |
| Nigeria | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 137,000 | 9,590 |
| Nigeria | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 58,000 | 7,540 |
| North Macedonia | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 85,000 | 5,950 |
| Panama | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 190,000 | 13,300 |
| Paraguay | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 170,000 | 11,900 |
| Peru | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |
| Senegal | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 60,000 | 7,800 |
| Senegal | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 25,000 | 1,750 |
| South Africa | UNIDO | PRP | PHA | Preparation of an HFC phase-down plan | 100,000 | 7,000 |
| Sri Lanka | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 135,000 | 9,450 |
| Sri Lanka | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 25,000 | 3,250 |
| Trinidad and Tobago | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |
| Turkmenistan | UNEP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 19,500 |
| Uruguay | UNDP | PRP | PHA | Preparation of an HFC phase-down plan | 150,000 | 10,500 |

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1. Project preparation for stage III of the HPMPs for Iran (Islamic Republic of) (Germany and UNEP), Indonesia (UNDP) and India (UNEP); tranches of HPMP for El Salvador (UNDP); and preparation for HFC phase-down plan projects for Bolivia (Plurinational State of) (UNIDO), Colombia (UNDP), the Dominican Republic (UNDP), Eswatini (the Kingdom of) (UNDP), and Nigeria (UNIDO). [↑](#footnote-ref-1)
2. Decision XXIX/1 [↑](#footnote-ref-2)