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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-eighth Meeting
Montreal, 15-19 November 2021¹

**UPDATE ON THE STATUS OF IMPLEMENTATION OF
THE 2021–2023 CONSOLIDATED BUSINESS PLAN OF THE MULTILATERAL FUND**

Introduction

1. 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

Recommendation

Annex I: HFC-related activities submitted to the 88th meeting

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

2. 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.

¹ Online meetings and an intersessional approval process will be held in November and December 2021 due to coronavirus disease (COVID-19)

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

| Item | 2021 | 2022 | 2023 | Total (2021–2023) |
|--|--------------------|--------------------|--------------------|----------------------|
| HCFC activities | | | | |
| Approved HCFC phase-out management plans (HPMP) | 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 project preparation (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 |
| Kigali HFC implementation plan (KIP) – PRP | 9,699,078 | 3,405,003 | 111,820 | 13,215,901 |
| KIPs | 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 | | | | |
| Compliance Assistance Programme (CAP) | 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 |
| Institutional strengthening (IS) | 14,514,175 | 6,825,454 | 14,514,175 | 35,853,805 |
| Secretariat, Executive Committee, and Monitoring and Evaluation costs minus Canadian counterpart | 6,544,874 | 6,260,173 | 5,935,637 | 18,740,684 |
| Treasurer | 500,000 | 500,000 | 500,000 | 1,500,000 |
| Standard activities subtotal | 38,565,365 | 30,966,174 | 38,714,866 | 108,246,405 |
| Grand total | 154,392,623 | 130,203,064 | 139,354,182 | 423,949,870 |
| 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 |
| World Bank | 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 | 6,544,874 | 6,260,173 | 5,935,637 | 18,740,684 |
| 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

3. The total funding available for 2021 amounts to US \$154,392,623. Of this amount, US \$20,885,937 has been approved at the 87th meeting. In addition, activities amounting to US \$84,761,734 would be considered at the 88th meeting; if funding requests for all project proposals submitted are approved, a balance of US \$48,744,952 would be available from the 2021 business plan, as shown in Table 2.

Table 2. 2021 consolidated business plan, approvals at the 87th meeting, project submissions to the 88th meeting, and balance (US \$)*

| Budget items | Total value in business plan | Approvals at the 87 th meeting | Activities reviewed/recommended to the 88 th meeting | Total | Balance (above) / below |
|--|------------------------------|---|---|--------------------|-------------------------|
| Bilateral agencies | 5,903,619 | 1,132,343 | 4,108,094 | 5,240,437 | 663,182 |
| UNDP | 34,829,052 | 4,841,430 | 23,702,882 | 28,544,312 | 6,284,740 |
| UNEP | 30,530,888 | 6,521,368 | 18,893,685 | 25,415,053 | 5,115,835 |
| UNIDO | 60,004,206 | 4,109,451 | 22,623,431 | 26,732,882 | 33,271,324 |
| World Bank | 15,491,385 | 4,281,345 | 7,819,668 | 12,101,013 | 3,390,372 |
| HPMP verification | 588,600 | | 569,100 | 569,100 | 19,500 |
| Subtotal (agencies) | 147,347,749 | 20,885,937 | 77,716,860 | 98,602,797 | 48,744,952 |
| Secretariat/Executive Committee/Monitoring and Evaluation (excluding Canadian counterpart)** | 6,544,874 | | 6,544,874 | 6,544,874 | 0 |
| Treasurer | 500,000 | | 500,000 | 500,000 | 0 |
| Subtotal (standard costs) | 7,044,874 | 0 | 7,044,874 | 7,044,874 | 0 |
| Total | 154,392,623 | 20,885,937 | 84,761,734 | 105,647,671 | 48,744,952 |

* Including core unit costs.

4. The value of project activities reviewed/recommended to the 88th meeting is US \$77,716,860, of which US \$2,835,618 is associated with project proposals not included in the 2021 business plan.²

5. The value of HFC-related activities submitted to the 88th meeting is US \$4,111,058, of which US \$915,360 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 bilateral and implementing agencies to the 88th meeting.

6. Project proposals with a value of US \$39,399,993³ that were included in the 2021 business plan, were not submitted to the 88th meeting. These proposals have been included in the Consolidated business plan of the Multilateral Fund for 2022–2024.⁴

Forward commitments

7. The total amount for existing forward commitments for multi-year agreements (MYAs) for the period 2021 to 2031 is US \$301.24 million, assuming that the funding requests of MYAs submitted to the 88th meeting will be approved in principle, as shown in Table 3.

² Project preparation for stage II of the HPMP for Somalia (UNIDO) and stage III of the HPMP for Brazil (Germany); tranches of the HPMPs for Chile (UNEP and UNIDO), Colombia (UNDP), the Democratic Republic of the Congo (UNDP), Oman (UNEP and UNIDO) and Sudan (the) (UNIDO); preparation for an HFC investment project for Lebanon (UNIDO); and KIP project preparation activities for Chile (UNEP), Colombia (Germany), El Salvador (UNDP), Grenada (UNDP and UNEP), Lesotho (UNIDO), Malawi (UNIDO), Namibia (UNIDO), Rwanda (UNIDO), Sierra Leone (UNIDO), Syrian Arab Republic (UNIDO), Viet Nam (UNEP) and Zambia (UNEP and UNIDO).

³ These activities include: 87 HCFC-related activities for 44 countries (US \$28.84 million), 41 HFC-related activities for 30 countries (US \$4.82 million) and 34 IS activities (US \$5.74 million).

⁴ UNEP/OzL.Pro/ExCom/88/22

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

| Description | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | Total |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|------------|--------------|--------------|-----------|----------------|
| Approved in principle* | 70,781 | 53,123 | 49,248 | 34,718 | 35,530 | 32,724 | 4,274 | 623 | 1,267 | 3,553 | 57 | 285,898 |
| Submitted to 88 th meeting | 5,262 | 0 | 3,557 | 2,046 | 1,193 | 1,027 | 1,183 | 52 | 374 | 646 | 0 | 15,338 |
| Total | 76,043 | 53,123 | 52,804 | 36,764 | 36,723 | 33,751 | 5,456 | 675 | 1,641 | 4,199 | 57 | 301,236 |

* Including revised agreements submitted to the 88th meeting

PART II: RESOURCE ALLOCATION FOR THE 2018–2020 TRIENNIUM

8. The resources approved by the Parties to the Montreal Protocol for the 2018–2020 triennium⁵ amount to US \$540,000,000. Taking into account the total funding approvals in 2018, 2019 and 2020, balances returned, 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 7 October 2021 is US \$385,240,783.

9. In addition, taking into account net funds transferred of US \$14,654,407 at the 87th meeting and the cash contributions in 2021, the carry-over for the 2018–2020 triennium would be US \$299,413,518, as shown in Table 4.

Table 4. Resource allocation for the 2018–2020 triennium

| Description | | Amount (US \$) |
|--|--------------|--------------------|
| Funds available as at 7 October 2021 | a | 385,240,783 |
| Funding of projects approved at the 87 th meeting | b | 20,885,937 |
| Balances/interest returned at the 87 th meeting | c | 6,231,062 |
| Net funds transferred to bilateral and implementing agencies | d=b-c | 14,654,875 |
| Funds available for the 2021-2023 triennium | e=a+d | 399,895,658 |
| Cash contributions in 2021 | f | 100,482,140 |
| Carry-over | g=e-f | 299,413,518 |

RECOMMENDATION

10. The Executive Committee may wish to note:
- (a) 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/88/20; and
 - (b) That the total value of activities submitted to the 88th meeting amounts to US \$77,716,860 (including US \$4,111,058 for HFC-related activities), of which US \$2,835,618 is associated with project proposals not included in the 2021 business plan.

⁵ Decision XXIX/1

Annex I

HFC-RELATED ACTIVITIES SUBMITTED TO THE 88TH MEETING

| Country | Agency | Type | Sector | Project title | Amount recommended (US\$) | Support costs recommended (US\$) |
|----------------------|---------|------|--------|--|---------------------------|----------------------------------|
| Angola | UNDP | PRP | PHA | Preparation of Kigali HFC implementation plan | 170,000 | 11,900 |
| Argentina | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 220,000 | 15,400 |
| Cambodia | UNDP | PRP | PHA | Preparation of Kigali HFC implementation plan | 35,000 | 2,450 |
| Cambodia | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 135,000 | 17,550 |
| Cameroon | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 190,000 | 13,300 |
| Chile | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 20,000 | 2,600 |
| Chile | UNDP | PRP | PHA | Preparation of Kigali HFC implementation plan | 170,000 | 11,900 |
| Colombia | Germany | PRP | PHA | Preparation of Kigali HFC implementation plan | 70,000 | 9,100 |
| El Salvador | UNDP | PRP | PHA | Preparation of Kigali HFC implementation plan | 170,000 | 11,900 |
| Fiji | UNDP | PRP | PHA | Preparation of Kigali HFC implementation plan | 95,000 | 6,650 |
| Fiji | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 35,000 | 4,550 |
| Grenada | UNDP | PRP | PHA | Preparation of Kigali HFC implementation plan | 40,000 | 2,800 |
| Grenada | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 60,000 | 7,800 |
| India | UNEP | TAS | SEV | Enabling activities for HFC phase-down | 250,000 | 17,500 |
| Lebanon | UNIDO | PRP | REF | Project preparation for HFC-related project in the manufacturing sector at Lematic Industries to convert the production of residential air-conditioning from R-410A to R-290 | 30,000 | 2,100 |
| Lesotho | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 39,000 | 2,730 |
| Lesotho | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 91,000 | 11,830 |
| Malawi | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 51,000 | 3,570 |
| Malawi | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 119,000 | 15,470 |
| Namibia | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 51,000 | 3,570 |
| Namibia | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 119,000 | 15,470 |
| Rwanda | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 39,000 | 2,730 |
| Rwanda | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 91,000 | 11,830 |
| Sierra Leone | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 39,000 | 2,730 |
| Sierra Leone | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 91,000 | 11,830 |
| Sudan (the) | UNIDO | INV | REF | Conversion from R-410A to R-290 in domestic air-conditioning manufacturing at the J.M. Group – Mina Factory | 495,886 | 34,712 |
| Syrian Arab Republic | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 66,000 | 4,620 |
| Syrian Arab Republic | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 154,000 | 20,020 |
| Tunisia | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 190,000 | 13,300 |
| Uganda | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 70,000 | 9,100 |
| Uganda | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 30,000 | 2,100 |
| Viet Nam | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 35,000 | 4,550 |
| Viet Nam | IBRD | PRP | PHA | Preparation of Kigali HFC implementation plan | 185,000 | 12,950 |
| Zambia | UNEP | PRP | PHA | Preparation of Kigali HFC implementation plan | 91,000 | 11,830 |
| Zambia | UNIDO | PRP | PHA | Preparation of Kigali HFC implementation plan | 39,000 | 2,730 |