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

Eighty-ninth Meeting

Montreal, 7-11 March 2022

Postponed to 16, 18 and 20 May 2022 (part I) and
16-18 June 2022 (part II)¹

ANNOTATED PROVISIONAL AGENDA

Part I of the meeting²

For the benefit of members of the Executive Committee, the annotated provisional agenda briefly explains the background which led to the development of the agenda and provides an indicative summary of the documents prepared by the Secretariat for each agenda item.

1. Opening of the meeting

The Chair of the Executive Committee, Mr. Hassan Ali Mubarak (Bahrain), will make opening remarks.

2. Organizational matters

(a) Adoption of the agenda

Document UNEP/OzL.Pro/ExCom/89/1 contains the provisional agenda for the 89th meeting, and document UNEP/OzL.Pro/ExCom/89/1/Add.1 includes the sub-set of items to be considered at part I of the meeting.

Issues to be addressed: None.

The Executive Committee may wish to adopt the agenda of the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/89/1/Add.1 and, if necessary, as amended verbally at the plenary.

¹ Due to coronavirus disease (COVID-19), part I of the 89th meeting will be held online while part II will be held in person.

² Item numbers in the present agenda correspond to those in the provisional agenda of the 89th meeting contained in document UNEP/OzL.Pro/ExCom/89/1.

(b) Organization of work

The Chairperson will propose to the plenary the organization of work.

3. Secretariat activities

Document UNEP/OzL.Pro/ExCom/89/2 indicates that the usual report on Secretariat activities will be consolidated and issued as document UNEP/OzL.Pro/ExCom/90/2 at the 90th meeting.

Document UNEP/OzL.Pro/ExCom/89/2/Add.1 contains further information and revised observations by the Secretariat in response to the five areas for improvement identified in the 2019 Assessment of the Multilateral Fund by the Multilateral Organisation Performance Assessment Network, contained in document UNEP/OzL.Pro/ExCom/88/2/Add.2, consideration of which was deferred to the 89th meeting.

Issues to be addressed:

- Revised observations by the Secretariat on the:
 - Evaluation function;
 - Results framework, information and communications functions;
 - Gender equality;
 - Sustainability of results achieved;
- Discussion and assessment of follow-up actions to the report and the areas for improvement identified; and
- Guidance on preparation of the management response from the Executive Committee to the MOPAN Secretariat.

The Executive Committee may wish:

- (a) To note the report contained in document UNEP/OzL.Pro/ExCom/89/2/Add.1 that outlines observations and actions proposed by the Secretariat on the five key areas of improvement identified in the 2019 Assessment of the Multilateral Fund by the Multilateral Organization Performance Assessment Network (MOPAN);
- (b) To request the Senior Monitoring and Evaluation Officer to include the actions to enhance the evaluation function outlined in paragraphs 13 to 18 above in the monitoring and evaluation work programme for the year 2023 for consideration of the Executive Committee at the 91st meeting;
- (c) To request the Secretariat:
 - (i) To develop a scorecard that fits the operations of the Multilateral Fund and make it available by the 92nd meeting;
 - (ii) To update the information strategy of the Multilateral Fund including a detailed plan on information and knowledge management, website/information technology requirements, resources needed, and clear timelines for implementation, and to submit it for consideration of the Executive Committee at the 91st meeting;
 - (iii) To explore opportunities to further highlight how the sustainability of activities supported by the Multilateral Fund will be ensured, including by further clarifying in the documents submitted by the Secretariat how partner capacity, risks and critical assumptions are considered; and

- (iv) To prepare, for consideration at its 92nd meeting, a draft management response from the Executive Committee to the Secretariat of the Multilateral Organization Performance Assessment Network on their assessment of the Multilateral Fund, conducted in 2019, in line with prior guidance provided by the Executive Committee.

5. Review of institutional strengthening projects, including funding levels (decision 74/51(d))

Document UNEP/OzL.Pro/ExCom/89/4 presents a review of institutional strengthening (IS) projects, their related activities, and addresses challenges linked to the Kigali Amendment, taking into consideration relevant documents considered by the Executive Committee and decisions adopted by the Parties and the Executive Committee subsequent to the adoption of the Kigali Amendment. The document assesses the relevance of IS support in contributing to the achievement of Article 5 countries' compliance with the Montreal Protocol control measures, and sets out the range of activities that national ozone units must undertake to achieve the HCFC and HFC control measures between 2020 and 2030. The document also reviews the format for IS reporting and renewal requests and the performance indicators agreed at the 74th meeting, and presents a recommendation.

Issues to be addressed:

- Guidance on whether or not the duration of renewal of IS projects may be extended to three years;
- Guidance on possible revisions to the format of terminal reports and requests for extension of IS funding, including performance indicators; and
- Consideration of IS funding levels in 2025, after approval and start of implementation of Kigali HFC implementation plans (KIPs).

The Executive Committee may wish:

- (a) To note the review of funding of institutional strengthening (IS) projects including funding levels (decision 74/51(d)), contained in document UNEP/OzL.Pro/ExCom/89/4;
- (b) To establish the level of funding for IS support taking into account the activities that Article 5 countries would need to undertake to initiate activities to implement the Kigali Amendment and meet the first control measures for phasing down HFCs during the period 2020-2030, while at the same time continuing implementation of HCFC phase-out management plans;
- (c) To consider whether to extend the duration of IS renewal implementation phases from the current two years to three years for IS renewal proposals submitted from the 90th meeting onwards;
- (d) To request the Secretariat to discuss with the bilateral and implementing agencies matters related to reviewing the existing format of terminal reports and requests for extension of IS funding, and selecting a set of performance indicators that could be used consistently by all Article 5 countries, and to report back to the Executive Committee at a future meeting; and
- (e) To request the Secretariat to submit a further review of IS projects including funding levels no later than the second meeting in 2025.

7. Matters related to the Kigali Amendment to the Montreal Protocol

(c) Analysis of the level and modalities of funding for HFC phase-down in the refrigeration servicing sector (decision 88/76)

Document UNEP/OzL.Pro/ExCom/89/8 contains a note by the Secretariat referring to the discussions on the matter at the 88th meeting and attaches the analysis of the level and modalities of funding HFC phase-down in the refrigeration servicing sector (document UNEP/OzL.Pro/ExCom/88/72) for further discussion at the 89th meeting in response to decision 88/76. Document UNEP/OzL.Pro/ExCom/88/72 analyzes possible modalities and levels of funding for HFC phase-down in the servicing sector, based on the approaches that have been followed in the past, adapted to the unique circumstances of reducing consumption of HCFC and HFC in the same sector at the same time until 2030; presents a recommendation to use the third modality presented in the document, which separates low-volume consuming countries (LVCs) from non-LVCs, as already done for CFCs and HCFCs phase-out; and further proposes under this modality, specific levels of funding for LVC countries and non-LVC countries taking into account the existing infrastructure in the servicing sector for HCFC phase out, and additional activities not covered under the HPMPs.

Issues to be addressed:

- To determine the level and modalities of funding for HFC phase-down in the refrigeration servicing sector for stage I of the KIPs.

The Executive Committee may wish:

- (a) To note the analysis of the level and modalities of funding for HFC phase-down in the refrigeration servicing sector, contained in document UNEP/OzL.Pro/ExCom/88/72;
- (b) To consider applying the following principles with regard to the eligible incremental costs for stage I of the HFC phase-down in the refrigeration servicing sector for the period 2021-2029 for Article 5 group 1 countries, and 2021-2032 for Article 5 group 2 countries, all of which are non-low-volume-consuming (LVC) countries, on the understanding that the funding levels specified below would be revised for activities submitted for future HFC phase-down stages when activities under HCFC phase-out management plans (HPMPs) were completed:
 - (i) Article 5 countries with total HCFC consumption baseline of up to 360 metric tonnes (mt) must include in their HFC phase-down plans, as a minimum:
 - a. A commitment to meeting, without further requests for funding at least the 10 per cent reduction step in HFC consumption in line with the compliance schedule of the Montreal Protocol, and restricting imports of HFC-based equipment if necessary to achieve the compliance schedule and to support relevant phase-out activities;
 - b. Mandatory reporting, by the time funding tranches for the HFC phase-down plans were requested, on the implementation of activities undertaken in the refrigeration servicing sector and in the manufacturing sector, when applicable, in the previous tranche, as well as a comprehensive annual work plan for the implementation of the activities associated with the next tranche; and

c. A description of the roles and responsibilities of major stakeholders, as well as the lead implementing agency and the cooperating agencies, where applicable;

(ii) Article 5 countries that have a total HCFC consumption as specified in sub-paragraph (b)(i) above will be provided funding consistent with the level of consumption in the refrigeration servicing sector, as shown in the table below, on the understanding that project proposals will still need to demonstrate that the funding level is necessary to achieve at least the HFC 10 per cent reduction target:

Baseline (mt)	Funding (US \$)
>0 <15	88,125
15 <40	112,500
40 <80	120,000
80 <120	135,000
120 <160	142,500
160 <200	150,000
200 <320	240,000
320 <360	270,000

(iii) Article 5 countries that have total HCFC consumption above 360 mt and below 25,000 mt that clearly demonstrate that they require assistance in the refrigeration servicing sector to comply at least with the 10 per cent reduction step in HFC consumption in line with the compliance schedule of the Montreal Protocol, will be provided funding at a level up to US \$3.20/metric kg, which will be deducted from their starting point for aggregate reductions in HFC consumption;

(iv) Article 5 countries referred to in paragraph (b)(iii) above that could achieve the 10 per cent reduction step in HFC consumption in line with the compliance schedule of the Montreal Protocol, only through activities in the refrigeration servicing sector, could receive funding up to the level determined for LVC countries with HCFC baseline between 320 and 360 mt as specified in sub-paragraph (b)(ii) above, on the understanding that they must include in their HFC phase-down plans, as a minimum the requirements described in sub-paragraph (b)(i) above;

(v) Funding for Article 5 countries that have a total HCFC consumption baseline above 25,000 mt will be considered on a case-by-case basis;

(c) To consider including the principles referred to in sub-paragraph (b) in the draft cost guidelines for the phase-down of HFCs and revising these principles in 2028 for the funding of future stages of HFC phase-down plans; and

(d) To consider whether to add the increase of funds agreed in the discussion of document UNEP/OzL.Pro/ExCom/88/75 on ways to operationalize paragraph 16 of decision XXVIII/2, and paragraph 2 of decision XXX/5, to the approval of stage I of the HFC phase-down instead of the HPMP, noting that the activities proposed for such increase of funds will benefit both HCFC phase-out and HFC phase-down through introduction of alternatives with low and zero GWP to HFC and maintain energy efficiency also in the servicing/end-user sector for LVC countries.

9. Other matters

Substantive issues agreed for inclusion in agenda item 2(a) will be taken up under this agenda item.

10. Adoption of the report

The Executive Committee will have in front of it the draft report of part I of the 89th meeting for its consideration and adoption.

11. Closure of the meeting

The meeting is expected to be closed on Friday, 20 May 2022.