



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/93/28
10 November 2023

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-third Meeting
Montreal, 15-19 December 2023
Item 8(d)(iii) of the provisional agenda¹

UNEP BUSINESS PLAN FOR 2024–2026

Introduction

1. This document presents UNEP business plan for 2024–2026² and includes the planned activities for the reduction of controlled substances under the Montreal Protocol during the period 2024–2026. The narrative of UNEP’s business plan for 2024–2026 is attached to the present document.
2. This document consists of the following sections:
 - I. Planned activities during the period 2024–2026
 - II. Secretariat’s comments
 - III. Proposed adjustments by the Secretariat
 - IV. Performance indicators
 - V. Recommendation

I. Planned activities during the period 2024–2026

3. Table 1 sets out, by year, the value of activities included in UNEP’s business plan.

¹ UNEP/OzL.Pro/ExCom/93/1

² A draft business plan for 2024–2026 of UNEP was discussed at the Inter-agency coordination meeting (IACM) held in Montreal from 3 to 5 October 2023. The business plan contained in this document has addressed the issues raised at the meeting.

Table 1. Resource allocation in the UNEP business plan for 2024–2026 (US \$)* – as submitted

Description	2024	2025	2026	Total (2024–2026)	Total after 2026
HCFC activities					
Approved HCFC phase-out management plans (HPMPs)	11,170,928	6,571,602	6,431,766	24,174,296	8,344,699
HPMP project preparation (PRP) – stage II	135,600	28,250	0	163,850	0
HPMP stage II	1,526,733	958,403	4,799,204	7,284,340	8,828,158
HPMP PRP – stage III	175,150	22,600	0	197,750	0
HPMP stage III	562,300	154,665	602,799	1,319,764	868,064
HPMP – energy efficiency	2,528,940	2,750,420	271,200	5,550,560	0
HCFC activities subtotal	16,099,651	10,485,940	12,104,969	38,690,560	18,040,921
HFC activities					
Enabling activities for HFC phase down	53,500	160,500	0	214,000	0
Kigali HFC implementation plan (KIP) stage I – PRP	1,818,119	344,650	150,290	2,313,059	0
KIP stage I	2,610,187	4,676,486	1,699,305	8,985,978	8,138,659
HFC – technical assistance	678,000	0	0	678,000	0
HFC activities subtotal	5,159,806	5,181,636	1,849,595	12,191,037	8,138,659
Other activities					
Pilot project for energy efficiency – investment	870,100	248,600	0	1,118,700	0
National inventories of banks of waste-controlled substances – PRP	384,200	0	0	384,200	0
Other activities subtotal	1,254,300	248,600	0	1,502,900	0
Standard activities					
Institutional strengthening (IS)	13,695,022	180,000	9,902,161	23,777,183	0
Compliance Assistance Programme (CAP)	11,605,710	11,953,882	12,312,498	35,872,090	0
Standard activities subtotal	25,300,732	12,133,882	22,214,659	59,649,273	0
Total	47,814,490	28,050,058	36,169,223	112,033,770	26,179,580

* Including agency support costs where applicable.

II. Secretariat's comments

II.1 HCFC activities

Stage II of HPMPs

4. The total level of funding for stage II of HPMPs for 16 low-volume-consuming (LVC) countries to meet the 100 per cent reduction of the HCFC baseline amounts to US \$3.82 million (including US \$1.61 million for 2024–2026 and US \$2.21 million for the period after 2026).

5. The total level of funding for stage II of HPMPs for six non-LVC countries amounts to US \$12.29 million (including US \$5.67 million for 2024–2026 and US \$6.62 million for the period after 2026).

6. A total of US \$163,850 is included in the business plan for project preparation for stage II of HPMPs for five countries for 2024–2026.

Stage III of HPMPs

7. A total of US \$2.19 million is planned for stage III of HPMPs for six countries (Albania, Armenia, Iran (Islamic Republic of), Serbia, Timor-Leste, and Tunisia) (including US \$1.32 million for 2024–2026 and US \$868,064 for the period after 2026).

8. A total of US \$197,750 is included in the business plan for project preparation for stage III of HPMPs for seven countries for 2024–2026.

Energy efficiency for LVC countries

9. Decision 89/6 allowed bilateral and implementing agencies, when submitting existing and future stages of HPMPs for LVC countries, to include the funding associated with the need for the introduction of alternatives to HCFCs with low- or zero-global-warming potential (GWP) and for maintaining energy efficiency in the refrigeration servicing sector.

10. A total of US \$5.55 million is included in the business plan for energy efficiency activities for 57 LVC countries for 2024–2026.

II.2 HFC-related activities

Enabling activities

11. HFC activities include enabling activities amounting to US \$214,000 in 2024–2026 for two countries (Antigua and Barbuda and the Central African Republic). Both countries have submitted the required letter from their respective Government indicating their intent to make best efforts to ratify the Kigali Amendment as early as possible, in line with decision 79/46(d)(i).

KIP project preparation

12. A total of US \$2.31 million is included in the business plan for KIP project preparation activities for 22 countries in 2024–2026.

13. Seventeen of the 22 countries for which KIP project preparation activities have been included have not yet ratified the Kigali Amendment but have submitted the required letter from their respective Government indicating their intent to make best efforts to ratify the Kigali Amendment in line with decision 84/46(f).

Stage I of KIPs

14. A total of US \$17.12 million is included in the business plan for stage I of KIPs for 69 countries (including US \$8.99 million for 2024–2026 and US \$8.14 million for the period after 2026). All these countries have ratified the Kigali Amendment.

HFC technical assistance

15. UNEP has included one global HFC technical assistance project, twinning of ozone officers and national energy policymakers to support Kigali Amendment objectives, in the amount of US \$678,000 in 2024. Phase I of this project was approved at the 91st meeting.

II.3 Other activities

Pilot projects for energy efficiency (decision 91/65)

16. A total of US \$1.12 million is included in the business plan under the funding window for pilot projects for energy efficiency (decision 91/65) for 2024–2026 for four countries (Guatemala, Honduras, Maldives, and the Republic of Moldova).

National inventories of banks of waste-controlled substances project preparation (decision 91/66)

17. A total of US \$384,200 is included in the business plan for the preparation of national inventories of banks of waste-controlled substances (decision 91/66) for 2024–2026 for five countries (Kyrgyzstan, Maldives, Paraguay, Peru, and Sri Lanka).

II.4 CAP

18. The cost for CAP is expected to increase at an annual rate of 3 per cent as agreed by the Executive Committee. The total level of funding for CAP is US \$35.87 million for 2024–2026. The CAP budget for 2024 has been submitted to the 93rd meeting.³

III. Proposed adjustments by the Secretariat

19. The adjustments to the UNEP business plan for 2024–2026 were based on relevant decisions of the Executive Committee. In reviewing the revised UNEP business plan for 2024–2026, the Secretariat noted that the following adjustments were not included:

Table 2. Adjustments to the UNEP business plan for 2024–2026 (US \$)* – as proposed by the Secretariat

Adjustment	2024–2026	After 2026
HPMP values to reflect the actual amounts approved under the Agreements including tranches of HPMPs that have been submitted to the 93 rd meeting	96,954	0
PRP for stage II of HPMPs pursuant to decision 71/42	(22,600)	0
Energy efficiency for LVC countries pursuant decision 89/6 or submitted to the 93 rd meeting	(488,419)	0
PRP for KIPs pursuant to decision 87/50 or submitted to the 93 rd meeting	(56,790)	0
Servicing sector for stage I of KIPs pursuant to decision 92/37	(264,271)	(263,815)
Preparation for national inventories of banks of waste-controlled substances submitted to the 93 rd meeting	(50,850)	0
IS pursuant to decision 91/63(d)	3,184	0

* Including agency support costs where applicable.

20. Table 3 presents the results of the Secretariat's proposed adjustments to the UNEP business plan for 2024–2026, which are also addressed in the context of the consolidated business plan of the Multilateral Fund for 2024–2026.⁴

Table 3. Resource allocation in UNEP's adjusted business plan for 2024–2026 (US \$)*

Description	2024	2025	2026	Total (2024–2026)	Total after 2026
HCFC activities					
Approved HPMPs	11,267,882	6,571,602	6,431,766	24,271,250	8,344,699
HPMP PRP – stage II	113,000	28,250	0	141,250	0
HPMP stage II	1,526,733	958,403	4,799,204	7,284,340	8,828,158
HPMP PRP – stage III	175,150	22,600	0	197,750	0
HPMP stage III	562,300	154,665	602,799	1,319,764	868,064
HPMP – energy efficiency	2,311,721	2,671,320	79,100	5,062,141	0
HCFC activities subtotal	15,956,786	10,406,840	11,912,869	38,276,495	18,040,921
HFC activities					
Enabling activities for HFC phase down	53,500	160,500	0	214,000	0
KIP stage I – PRP	1,761,329	344,650	150,290	2,256,269	0
KIP stage I	2,605,880	4,416,522	1,699,305	8,721,707	7,874,844

³ UNEP/OzL.Pro/ExCom/93/94

⁴ UNEP/OzL.Pro/ExCom/93/25

Description	2024	2025	2026	Total (2024–2026)	Total after 2026
HFC – technical assistance	678,000	0	0	678,000	0
HFC activities subtotal	5,098,709	4,921,672	1,849,595	11,869,976	7,874,844
Other activities					
Pilot project for energy efficiency – investment	870,100	248,600	0	1,118,700	0
National inventories of banks of waste-controlled substances – PRP	333,350	0	0	333,350	0
Other activities subtotal	1,203,450	248,600	0	1,452,050	0
Standard activities					
IS	13,878,207	180,000	9,722,161	23,780,367	0
CAP	11,605,710	11,953,882	12,312,498	35,872,090	0
Standard activities subtotal	25,483,917	12,133,882	22,034,659	59,652,457	0
Total	47,742,862	27,710,994	35,797,123	111,250,978	25,915,765

* Including agency support costs where applicable.

IV. Performance indicators

21. UNEP submitted performance indicators pursuant to decision 71/28 in its business plan narrative. The Secretariat informed UNEP of the targets shown in table 4.

Table 4. Performance indicators for UNEP for 2024

Type of indicator	Short title	Calculation	2024 target
Planning - Approval	Tranches approved	Number of tranches approved vs. those planned*	84
Planning - Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	120
Implementation	Funds disbursed	Based on estimated disbursement in progress report	US \$24,723,357
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans*	196.9 ODP tonnes
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	81
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	12 months
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	On time (5)
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	On time

* The targets of an agency would be reduced “if it could not submit a tranche owing to another cooperating agency or lead agency” or “if the HPMP submitted for consideration by the Executive Committee was not approved as a result of factors beyond the control of the national ozone unit (NOU) and the agency”.

22. Table 5 presents UNEP’s performance indicators for its CAP, which were adopted in decision 48/7(e).

Table 5. Performance indicators for UNEP’s CAP for 2024

Performance indicator	Data	Assessment	2024 target
Efficient follow-up to regional network/thematic meetings	List of recommendations emanating from 2021-2022 regional network/thematic meetings	Implementation rate of those meeting recommendations that are to be implemented in 2023	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.

Performance indicator	Data	Assessment	2024 target
Assistance to countries in actual or potential non-compliance (as per Meeting of the Parties decisions and/or as per reported Article 7 data and trend analysis)	List of countries in actual or potential non-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	2 in each region.

V. Recommendation

23. The Executive Committee may wish:

- (a) To note the UNEP business plan for 2024–2026, contained in document UNEP/OzL.Pro/ExCom/93/28; and
- (b) To approve the performance indicators for UNEP as set out in tables 4 and 5 of document UNEP/OzL.Pro/ExCom/93/28.



UNITED NATIONS ENVIRONMENT PROGRAMME 2024-2026 BUSINESS PLAN

PRESENTED TO THE
93RD MEETING OF THE EXECUTIVE COMMITTEE
OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION
OF THE MONTREAL PROTOCOL

20 OCTOBER 2023

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EXECUTIVE SUMMARY

The United Nations Environment Programme (UNEP) is submitting this document for the consideration of the 93rd meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol. The document presents UNEP's rolling three-year Business Plan for its Montreal Protocol-related projects covering the years 2024-2026. It comprises:

- Narrative.
- Annex: Projects planned for submission (spreadsheet submitted separately).

UNEP developed this Business Plan based on the current and anticipated needs of Article 5 countries that it identified from various sources and through consultations and interactions with National Ozone Officers. UNEP continues assisting the countries with implementing their hydrochlorofluorocarbon (HCFC) phase-out responsibilities including preparing for the 2025 reduction target and subsequent total phase out by 2030. Continued actions need to be taken to implement and/or prepare the various stages (II and III) and tranches of HCFC Phase-out Management Plans (HPMPs) to achieve compliance with the countries' agreements with the Executive Committee. This work includes HPMP development, implementation, monitoring, and verification, as well as the elaboration, implementation, and enforcement of the related legislative, policy, institutional, capacity building and programmatic measures to phase-out HCFCs.

UNEP continues providing the assistance to Article 5 countries to ratify the Kigali Amendment as soon as possible and support activities that the countries need to meet their first obligations under the Amendment once they ratify. In relation to this, UNEP is including requests for the preparation of the Kigali HFC Implementation Plans (KIPs) to meet initial reduction obligations for the phase-down of hydrofluorocarbons (HFCs) in accordance with the Executive Committee's decision taken at its 87th meeting (87/50).¹ Moreover, UNEP has submitted 3 Kigali Implementation Plans (KIPs) as a lead agency and 12 as a cooperating agency for consideration of the 93rd Executive Committee meeting. This Business Plan includes KIP implementation stage 1 tranches according to the refrigeration servicing sector guidelines (decision 92/37).

Maintaining the energy efficiency of existing refrigeration and air conditioning (RAC) equipment through best installation and servicing practices and ensuring that new equipment is energy efficient through policies could double the climate benefits of the Kigali Amendment during the transition to lower-global warming potential (GWP) alternatives. Awareness-raising, training of servicing technicians, standards, and policies and regulations aimed at maintaining and enhancing energy efficiency of existing and new RAC equipment could contribute to achieving that goal. Twinning of National Ozone Officers and energy efficiency policy makers builds momentum for change at the country level (this Business Plan includes phase 2 of this project). Following Executive Committee decision 89/6(b), interested low volume consuming countries (LVCs) require assistance with designing and implementing additional activities in their HPMPs to maintain energy efficiency in the refrigeration servicing sector, when needed for the introduction of alternatives to HCFCs with low or zero gGWP and for maintaining energy efficiency. UNEP was requested to assist Article 5 countries with those activities. Moreover, as per decision 91/65 a new

¹ UNEP/OzL.Pro/ExCom/87/58.

funding window of US\$ 20 million for pilot projects to maintain and/or enhance energy efficiency in the context of the HFC phase-down is available to countries that have ratified the Kigali Amendment and that wish to avail themselves of such support. As pilot project proposals can be submitted between the 93rd and 96th Executive Committee meetings, the submission and implementation will fall under the period covered by this Business Plan.

UNEP will achieve its Business Plan objectives through a combination of compliance assistance services delivered through the 2024 Compliance Assistance Programme (CAP),² as well as the ongoing and planned national, regional, and global projects detailed in this document. The project types include:

- Preparation and implementation of HPMPs for both Stages II and III;
- Additional activities for introduction low or zero GWP alternatives and energy efficiency (decision 89/6);
- Institutional Strengthening projects;
- Technical assistance projects – Twinning project;
- Remaining Enabling Activities projects;
- Preparation and implementation of KIPs.
- Energy efficiency pilot projects (decision 91/65).

In addition to the anticipated projects, UNEP will implement HPMP verification projects under this Business Plan as and when requested by the Executive Committee during 2024-2026.

UNEP will deliver the projects in this Business Plan and perform the project development, monitoring and reporting duties required of all Implementing Agencies through the proposed 2024 CAP Work Programme. In addition to the projects detailed in this Business Plan, UNEP continues to assist several bilateral agencies with the implementation of their Multilateral Fund projects through CAP and engages in select partnerships for Montreal Protocol objectives complementary to the Multilateral Fund (including projects and activities).³

UNEP is planning project submissions over the next three years as follows: US\$ 47,314,489 for 2024, US\$ 28,050,058 for 2025, and US\$ 36,169,223 for 2026, all inclusive of the respective annual CAP budgets and programme support costs (PSC).

For 2024, UNEP will prepare and submit 205 individual projects to the Executive Committee, including new projects, planned tranches of previously approved multi-year agreements (MYAs), and the annual CAP Work Programme and Budget for the year 2025.

I. METHODOLOGY

² In addition to the projects indicated in this Business Plan, during 2024 UNEP will also provide through its CAP country-specific special compliance services, the operation of 10 Regional/sub-Regional Networks of Ozone Officers, facilitation of South-South cooperation, assistance with regional awareness activities, and provision of a global tools and products that provides National Ozone Units with services that contribute towards HCFC phase out and HFC phase down.

³ This Business Plan provides details about the individual *projects* proposed for UNEP's implementation from 2024 through 2026. UNEP will report details on its performance with implementing the projects through its UNEP's Annual and Financial Progress Report. For details about non-project *activities and services* delivered by UNEP through the CAP, please refer to the 2024 CAP Work Programme and Budget.

This section describes the methodology, consultations, guidance, and inputs UNEP used when developing this Business Plan. UNEP has:

- Consulted with National Ozone Officers in Article 5 countries during 2023 on their countries' business planning needs, through direct contacts with Ozone Officers.
- Reviewed and drew on experiences gained from implementation of its 2023-2025 Business Plan,⁴ taking into account new trends and emerging developments.
- Considered the programmatic direction and activities included in its approved 2023 CAP Work Programme and Budget.⁵
- Followed the guidance provided by the Multilateral Fund Secretariat via electronic means.
- Consulted with the other Implementing Agencies and bilateral agencies to increase collaborative and mutually-supportive initiatives and to avoid duplication of effort.
- Considered applicable Executive Committee decisions as guidance for this Business Plan.
- Followed the guidance provided by the Multilateral Fund Secretariat during the Inter-Agency Coordination Meetings of 2023 which were organized on 8-9 March and 3-5 October.

II. MULTILATERAL FUND TARGETS

A. OBJECTIVES OF THE THREE-YEAR BUSINESS PLAN

The focus and orientation of UNEP's work continues to be defined by the evolving needs of Article 5 countries as they progress in their implementation of the Montreal Protocol, as they meet and sustain compliance with specific obligations, and to support them with ratification of the Kigali Amendment and laying the groundwork for its implementation.

This Business Plan also supports the objectives set forth in the *2024-2026 Compliance Assistance Programme Strategy* (submitted to the 93rd Executive Committee meeting), which details UNEP's vision and approach for CAP for that period. The strategy identified eight major desired outcomes that UNEP will support during the three-year period:

- OUTCOME 1 – National Ozone Units effectively manage their national programmes
- OUTCOME 2 – Article 5 countries report accurate and timely data
- OUTCOME 3 – Effective legal, regulatory and policy frameworks are in place and enforced.
- OUTCOME 4 – Imports and exports are controlled, and illegal trade is reduced/prevented.
- OUTCOME 5 – Key stakeholders and the public enthusiastically support national compliance programmes.
- OUTCOME 6 – Non-ODS, low GWP technology is adopted and used safely, and servicing sector workforce skills are strengthened.
- OUTCOME 7 – Energy efficiency is maintained or increased in the RAC sector.

⁴ UNEP/OzL.Pro/ExCom/91/25

⁵ UNEP/OzL.Pro/ExCom/91/58

- OUTCOME 8 – New sectors consuming HFCs are addressed.
- OUTCOME 9 – Used or unwanted controlled substances are inventoried and plans made for their disposal
- OUTCOME 10 – Gender issues and approaches are considered and addressed in Montreal Protocol programmes and projects

Gender mainstreaming considerations

In the context of the 2024-2026 Business Plan, UNEP will continue considering gender issues in all of its projects, throughout the project cycle. UNEP will closely follow the Multilateral Fund’s Operational Policy on Gender Mainstreaming (2019) and UNEP’s Gender Equality and the Environment Policy and Strategy (2017) in all aspects of its work.

UNEP will use CAP services to assist NOUs in implementing decisions 91/63 (new gender objective and indicators in the IS projects) and 92/40 (mandatory gender requirements and indicators for HPMPs and KIPs). UNEP will promote CAP products and tools, such as the Guidebook on Mainstreaming Gender in the Implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer, and the booklet on Integration of Gender Mainstreaming in Latin America and the Caribbean, that will assist and inspire NOUs in all regions to adopt different approaches for achieving gender equality in Montreal Protocol related activities.

UNEP will continue to harness the expertise and the global authority of our regional and international partner RACHP organizations to raise awareness, assess challenges, and provide opportunities for women in RACHP sector. Some of the planned activities, such as networking and different capacity building products, including mentorship and internship programs, will be provided through INWIC platform (International Network for Women in Cooling). All of these have an ultimate goal to be available to the NOUs to use them in preparation and implementation of their MLF-funded projects.

The OzonAction Gender Core Team will closely monitor any progress that the Executive Committee will make with regards to gender mainstreaming and continue to provide guidance, monitor, and report on gender mainstreaming in the MLF funded projects.

B. RESOURCE ALLOCATION

During this Business Plan period, UNEP plans to prepare and submit for approval the projects as detailed in the separate annex "Projects planned for submission 2024-2026." UNEP’s proposed resource allocation plan is as follows:

Project	Type	Value (US\$ inclusive of PSC)			Total 2024-2026
		2024	2025	2026	
HPMP Stage I implementation	PHA	497,218	580,464	0	1,077,682
HPMP Stage II preparation	PRP	135,600	28,250	0	163,850
HPMP Stage II implementation	PHA	10,022,295	6,818,929	9,187,085	26,028,309
HPMP Stage III preparation	PRP	175,150	22,600	0	197,750
HPMP Stage III implementation	PHA	2,740,448	285,277	2,646,684	5,672,409

Project	Type	Value (US\$ inclusive of PSC)			Total 2024-2026
		2024	2025	2026	
Additional activities for introduction low or zero GWP alternatives and EE decision 89/6	PHA	2,528,940	2,750,420	271,200	5,550,560
KIP preparation	PRP	1,818,119	344,650	150,290	2,313,059
KIP Stage I implementation Plan	KIP	2,610,187	4,676,486	1,699,305	8,985,978
Enabling Activities	TAS	53,500	160,500	0	214,000
Institutional Strengthening	INS	13,195,022	180,000	9,902,161	23,277,183
Technical assistance	TAS	678,000	0	0	678,000
Compliance Assistance Programme	TAS	11,605,710	11,953,882	12,312,498	35,872,090
Preparation of national inventories of banks of waste-controlled substances and national action plan	PRP	384,200	0	0	384,200
Energy efficiency pilot project under decision 91/65	INV	870,100	248,600	0	1,118,700
Grand total		47,314,489	28,050,058	36,169,223	111,533,770

III. PLANNED BUSINESS PLAN ACTIVITIES

This section describes costed projects at the national, regional, and global levels in the 2024-2026 period proposed by UNEP. All projects are included in the Annex.

A. NATIONAL LEVEL

Through this Business Plan, UNEP will deliver the following projects at the national level:

- HPMP project preparation and implementation. UNEP will assist Article 5 countries with Stage II and Stage III preparation in accordance with Executive Committee policies and guidelines. UNEP will also assist countries with the implementation of the non-investment components of the HPMPs (Stages I, II and III) in cooperation with other Implementing Agencies and bilateral partners.
- Additional activities for introduction low or zero GWP alternatives and energy efficiency. UNEP included the funding associated with need for the introduction of alternatives to HCFCs with low or zero GWP and for maintaining energy efficiency in the refrigeration servicing sector according to the decision 89/6 which allows bilateral and implementing agencies to submit these proposals.
- Institutional Strengthening (IS) projects. UNEP provides 103 countries with ongoing technical assistance and administrative support for the implementation of their IS projects, including the submission of IS renewals and assistance with activities covered by these projects. UNEP will submit such projects as per the appropriate timing and when all the necessary pre-conditions have

been met (e.g., disbursement rate, reporting obligations). This service is performed as part of CAP services, with UNEP earning 0% PSC for these projects.

- Enabling Activities. This Business Plan includes two Enabling Activities projects as per Executive Committee decision 79/46(d)(iv). In line with that decision, the proposed projects will facilitate and support the concerned Article 5 countries to ratify the Kigali Amendment as soon as possible and to support activities they need to meet their first obligations under the Kigali Amendment after ratification.
- Preparation of the Kigali HFC implementation plans (KIPs). UNEP included funding for the preparation of national implementation plans to meet initial reduction obligations for the phase-down of HFCs according to the Executive Committee decision from its 87th meeting (87/50).
- KIP HFC Phase Down Implementation Plan (Stage 1). UNEP includes KIPs implementation in the business plan for countries that had ratified the Kigali Amendment according to the decision 92/37
- Preparation of national inventories of banks of waste-controlled substances and national action plan. Following decision 91/66, UNEP plans to submit a few projects for consideration of the 93rd meeting of the Executive Committee. UNEP has already received a number of requests from Article 5 countries to include such projects in its Business Plan with the understanding that the funding window is open from 93rd meeting of the Executive Committee up to and including the 97th meeting.
- Energy efficiency pilot projects. Under decision 91/65, a new funding window of US\$ 20 million for pilot projects to maintain and/or enhance energy efficiency in the context of the HFC phase-down is available to countries that have ratified the Kigali Amendment and that wish to avail themselves of such funding. As pilot project proposals can be submitted between the 93rd and 96th Executive Committee meetings, UNEP's Business Plan has a few requests which submission and implementation will fall under the period covered by this decision.

It is important to note that in absence of defined starting point for aggregate reductions in HFC consumption and the associated global warming potential of the HFCs that will be phased-down, the amounts of HFCs in metric tonnes are to be for indicative purposes only as countries' compliance will be in CO₂ equivalent.

B. REGIONAL LEVEL

Through this Business Plan, UNEP plans to deliver the following projects at the regional level:

- Regional HPMP Stage II for 12 Pacific Islands. This project supports the Cook Islands, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

C. GLOBAL LEVEL

- Twinning of Ozone Officers and National Energy Policymakers to support Kigali Amendment Objectives (Phase 2). UNEP continues to support the Kigali Amendment's climate protection aspirations by enabling NOUs and National Energy Policymakers to meet every other year at the regional level to share experiences, coordinate policies, and identify joint activities that will further the ozone-energy efficiency agenda.

D. NEW PROJECT TYPES

N/A

IV. PERFORMANCE INDICATORS

UNEP expects that the services, activities, and projects identified in the proposed 2024-2026 Business Plan will result in:

- Improved capabilities and technical skills of NOUs staff to effectively carry out approved phase-out programmes and thus ensure sustained compliance;
- Countries in non-compliance received necessary support enabling swift return to compliance;
- Increased high-level political commitment to the ozone agreements;
- HCFC phase-out obligations mainstreamed into national environmental strategies/policies;
- Timely and efficient HCFC phase out due to HPMP implementation and clearinghouse services;
- Increased number of Article 5 Parties ratifying the Kigali Amendment and/or undertaking activities required for meeting their initial obligations under the Amendment;
- Provision of technical support to 51 countries to prepare KIP Stage I;
- Enhanced awareness of users and other relevant stakeholders of forthcoming reductions in HCFC supply and availability of viable alternatives;
- All client countries reported Article 7 and Country Programme data by established deadlines and quality of reported data improved;
- Improved HCFC and HFC-related policy instruments;
- Efficient operation and enforcement of HCFC licensing and quota systems;
- NOUs provided with best available information that enable them to make decisions on alternative technologies, sound approaches and methodologies;
- Broadened and strengthened regional cooperation in the implementation of the ozone treaties;
- Increased number of countries benefiting from direct country-to-country assistance;
- Concerted actions taken at national and regional levels to combat illegal trade in HCFC;
- Improved access to HCFC-related technical information and enhanced experience exchange;
- Support provided for the implementation of investment projects through strengthened institutional and legal frameworks.

UNEP proposes to adopt performance indicators for 2024 as follows:

TABLE 1: PERFORMANCE INDICATORS APPLICABLE TO ALL AGENCIES

Type of Indicator (Existing, Modified, New)	Short Title	Calculation	UNEP proposal for 2024
Planning--Approval	Tranches approved	Number of tranches approved vs. those planned*	82***
Planning--Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)**	94
Implementation	Funds disbursed	Based on estimated disbursement in progress report US	24,723,357
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	196.13 ODP tones
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	79
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	12
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	On time
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.

*** UNEP included in this PI HPMP tranches under the stages 1,2, and 3 and KIP implementation tranches.

TABLE 2: PERFORMANCE INDICATORS APPLICABLE TO UNEP'S COMPLIANCE ASSISTANCE PROGRAMME

Performance Indicator	Data	Assessment	UNEP's proposal for 2022
Efficient follow-up to regional network/ thematic meetings	List of recommendations emanating from 2022-2023 regional network/thematic meetings	Implementation rate of those meeting recommendations that are to be implemented in 2024	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	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

Performance Indicator	Data	Assessment	UNEP's proposal for 2022
MOP decisions and/or as per reported Article 7 data and trend analysis)			
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	2 in each region.

V. POLICY, ADMINISTRATIVE AND FINANCIAL ISSUES

N/A