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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-fourth Meeting
Montreal, 27–31 May 2024

**REPORT OF THE NINETY-FOURTH MEETING
OF THE EXECUTIVE COMMITTEE**

Introduction

1. The 94th meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization (ICAO) in Montreal, Canada, from 27 to 31 May 2024.
2. The meeting was attended by representatives of the following countries, members of the Executive Committee in accordance with decision XXXV/23 of the Thirty-Fifth Meeting of the Parties to the Montreal Protocol:
 - (a) Parties operating under paragraph 1 of Article 5 of the Protocol (Article 5 parties): Argentina (Chair), Cuba, Ghana, India, Jordan, Kuwait and Tunisia;
 - (b) Parties not operating under paragraph 1 of Article 5 of the Protocol (non-Article 5 parties): Belgium, Canada, Estonia, Italy (Vice-Chair), Japan, Sweden and the United States of America.
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) both as implementing agency and as Treasurer of the Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the meeting as observers.
4. The Executive Secretary and Deputy Executive Secretary of the Ozone Secretariat and the President of the Bureau to the Thirty-Fifth Meeting of the Parties were also present.
5. A representative of the European Union attended as an observer.
6. Representatives of the Alliance for Responsible Atmospheric Policy, the Carbon Containment Lab, the ClimateWorks Foundation, the Environmental Investigation Agency, the Institute for Energy and Climate Strategies, the Institute for Governance and Sustainable Development, the Natural Resources

Defense Council, the Refrigerant Gas Manufacturers' Association of India and the Private Sector Commission for Studies on Sustainable Development of Mexico also attended as observers.

AGENDA ITEM 1: OPENING OF THE MEETING

7. The 94th meeting of the Executive Committee was opened by the Chair, María Antonella Parodi (Argentina). She welcomed participants, acknowledging the fruitful half-day session held the previous day on strategic approaches to the Kigali Amendment implementation. A summary of that meeting would be issued as document UNEP/OzL.Pro/ExCom/94/Inf.3.

8. The Chair paid tribute to Patrick McInerney (Australia), who had passed away in February 2024. She expressed her condolences to his family and acknowledged the loss for the Committee. The Chief Officer then shared her own personal experience of working with Mr. McInerney, whom she had considered a mentor when she joined the Ozone family. Highlighting his humility, approachability and concern for the challenges of developing countries, she said that he was the embodiment of the qualities that made the Montreal Protocol a successful treaty. Several members then expressed their condolences for the sudden loss of Mr. McInerney. They mentioned the key role that he had played and acknowledged his positivity, humour and ability to bridge gaps in difficult discussions. The Committee observed a minute's silence in honour of his memory.

9. The Chair stated that the Executive Committee would be continuing its work with the aim of reaching agreement on issues still under deliberation. It would be considering 15 new Kigali HFC implementation plans (KIPs), six new stages of HCFC phase-out management plans (HPMPs), many tranches of HPMPs and some pilot energy-efficiency projects. She stated that the freeze on HFC consumption and the reduction of 67.5 per cent of the HCFC baseline consumption were around the corner and that continued assistance would be provided to Article 5 countries.

10. A number of policy issues would continue to be addressed, especially those related to the implementation of the Kigali Amendment and the finalization of the cost guidelines. The meeting would also further discuss the draft template for the Agreements for stage I of KIPs; the analysis of the implications of decision 62/17 for HPMP implementation and whether to revise the approach to KIPs; the operational framework for issues related to energy-efficiency while phasing down HFCs; alternatives in the polyurethane (PU) foam manufacturing; how HCFC phase-out and HFC phase-down activities supported by the Fund might contribute to sustainable cooling; and issues relating to the funding window to assist countries affected by the coronavirus disease (COVID-19) pandemic.

11. In view of the heavy agenda, the Chair urged the members of the Executive Committee to use the limited time available as efficiently as possible.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

12. The Executive Committee adopted the following agenda for the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/94/1:

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.
5. Country programme data and prospects for compliance.
6. Evaluation:
 - (a) Progress update on the desk study for the evaluation of the Compliance Assistance Programme;
 - (b) Report on the external assessment of the evaluation function of the Multilateral Fund;
 - (c) Report on the review of project completion reports.
7. Programme implementation:
 - (a) Status reports and reports on projects with specific reporting requirements with no outstanding issues;
 - (b) Reports on project with specific reporting requirements with outstanding issues for individual consideration;
 - (c) 2024 consolidated project completion report.
8. Business planning:
 - (a) Update on the status of implementation of the 2024-2026 consolidated business plan of the Multilateral Fund and financial planning for the triennium 2024-2026;
 - (b) Tranche submission delays.
9. Project proposals:
 - (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Projects recommended for blanket approval;
 - (d) Projects recommended for individual consideration.
10. Paper on the issue of alternatives in polyurethane foam manufacturing (paragraph 127 of document UNEP/OzL.Pro/ExCom/93/105).
11. Analysis of the implications of decision 62/17 for implementation of HCFC phase-out management plans (decision 93/105(a)).

12. Matters related to the Kigali Amendment to the Montreal Protocol:
 - (a) Draft guidelines for funding the phase-down of HFCs in Article 5 countries, including consideration of operationalizing paragraph 24 of decision XXVIII/2 (paragraph 351 of document UNEP/OzL.Pro/ExCom/93/105);
 - (b) Further elaboration on the operational framework to support maintaining and/or enhancing energy efficiency described in document UNEP/OzL.Pro/ExCom/93/98 (decision 93/93(d));
 - (c) Draft template for an Agreement for stage I of Kigali HFC implementation plans (paragraph 368 of document UNEP/OzL.Pro/ExCom/93/105).
13. Paper on how HCFC phase-out and HFC phase-down activities supported by the Multilateral Fund might contribute to sustainable cooling (decision 92/1(b)).
14. Issue relating to a funding window to assist Article 5 countries affected by the coronavirus disease pandemic (paragraph 406 of UNEP/OzL.Pro/ExCom/93/105).
15. Draft report of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to the Thirty-Sixth Meeting of the Parties.
16. Report of the Sub-group on the Production Sector.
17. Other matters.
18. Adoption of the report.
19. Closure of the meeting.

13. The Executive Committee agreed to consider under item 17 on other matters (i) the summary and key takeaways of the half-day session held on 26 May 2024 on strategic approaches to the implementation of the Kigali Amendment; and (ii) the dates and venues of the 98th meeting and additional information relating to the 95th to 97th meetings.

(b) Organization of work

14. The Executive Committee agreed to follow its customary procedures.
15. The Committee also agreed to reconvene the Sub-group on the Production Sector with the following composition: Argentina, Canada, Cuba, India, Italy, Jordan, Sweden and the United States of America.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

16. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/94/2.

17. Highlighting the salient points of the document, she also mentioned that, while reviewing the projects, especially the KIPs and the pilot projects under decision 91/65, the Secretariat tried as much as possible to ensure consistency and fairness in the way in which it dealt with all countries and across agencies; that the Secretariat and the administration team had done their best to reduce the time needed for the completion of the ongoing recruitment processes; that the Secretariat intended to give a presentation on progress in the knowledge management system; and that, pending confirmation by the Ozone Secretariat, the Secretariat would organize two side events in the margins of the forty-sixth meeting of the Open-ended Working Group, on the preparation and submission of KIPs and on the online submission of country

programme data, with a view to enhancing the capacity of national ozone officers to implement the Kigali Amendment.

18. Many members expressed their appreciation for the work since the last meeting of the Executive Committee, especially with regard to the knowledge management system and cooperation with various entities, including the Green Climate Fund, the Global Environment Facility, regional banks and the Cool Coalition on the Global Cooling stocktake report.

19. One member expressed interest in the development of a methodology to estimate the emissions avoided owing to HFC phase-down projects supported by the Multilateral Fund and asked for more information on the underlying assumptions in order to be able to better understand the potential environmental benefits of the projects and to ensure that the strategies were based on sound scientific data. The same member also asked about the criteria of Transparency International-Australia with regard to its selection of institutions for assessment and its experience with international funds and the distribution of work among its offices.

20. In response, the Chief Officer said that further information on the estimated emissions avoided owing to HFC phase-down projects supported by the Multilateral Fund would be provided under agenda item 9(a) on the overview of issues identified during project review. Furthermore, she explained that it was the understanding of the Secretariat that the Transparency International was a big organization, with offices in many countries, but that publications were always issued under the general name of Transparency International. It was known that five studies related to funds had already been undertaken: an anti-corruption assessment of the Adaptation Fund; an anti-corruption assessment of climate investment funds; a study on the Global Environment Facility, specifically related to the Least Developed Countries Fund and the Special Climate Change Fund; a study on safeguarding climate finance procurement; and an assessment related to the International Maritime Organization. She said that the request for information from Transparency International-Australia focused mostly on the processes of the Secretariat and hence those of UNEP and related to the regulatory framework of the United Nations Secretariat. The information which was shared with Transparency International–Australia was publicly available.

21. Another member, recalling the recent assessment by the Multilateral Organisation Performance Assessment Network, which had involved extensive work, said that he was comfortable with the submission of publicly available information, but, if other requests were made, then the Secretariat should consult the Executive Committee with a view to avoid being overburdened.

22. Subsequently, the Executive Committee took note, with appreciation, of the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/94/2.

AGENDA ITEM 4: FINANCIAL MATTERS

(a) Status of contributions and disbursements

23. The Treasurer introduced document UNEP/OzL.Pro/ExCom/94/3. He provided updated information on Parties' contributions to the Multilateral Fund. Since the issuance of the document, the Treasurer had received additional contributions totalling US \$17,030,260 from the Governments of Belgium, Germany, Greece, Kazakhstan, Liechtenstein and Spain, bringing to 22 the total number of Parties that had contributed to the Fund in 2024.

24. As at 24 May 2024, the balance of the Fund stood at US \$558,357,769 in cash. Since the previous Executive Committee meeting, the total loss on the fixed-exchange-rate-mechanism had increased by approximately US \$532,000. The cumulative loss on the fixed-exchange-rate-mechanism stood at around US \$30 million.

25. The Treasurer mentioned that invoices for 2024, as well as reminders on outstanding contributions, had been sent to out to all Parties at the beginning of February 2024.

26. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements, contained in annex I to the present report;
- (b) 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 95th meeting; and
- (c) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible.

(Decision 94/1)

(b) Report on balances and availability of resources

27. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/4 and reported that the total funding requested at the present meeting was US \$67,918,167, including agency support costs. Given the Treasurer's updated information on the Fund balance, which stood at US \$558,357,769, and the return of US \$1,362,594 in balances, the total funding available amounted to US \$559,720,363, which was deemed sufficient for approval of the projects to be considered at the present meeting.

28. The Executive Committee decided:

- (a) To note:
 - (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/94/4;
 - (ii) That the net level of funds being returned by the implementing agencies at the 94th meeting was US \$1,362,594 consisting of US \$239,606, plus agency support costs of US \$17,619, from UNDP; US \$469,599, plus agency support costs of US \$44,402, from UNEP; and US \$551,985, plus agency support costs of US \$39,383, from UNIDO;
 - (iii) That UNDP held balances of US \$71,695, including agency support costs, for seven projects completed over two years previously;
 - (iv) That UNIDO held balances of US \$72,926, including agency support costs, for five projects completed over two years previously, US \$823,615, including agency support costs, for three projects completed "by decision of the Executive Committee" and US \$116,758, including agency support costs, for four completed projects funded using the additional voluntary contributions made by a group of donor countries to finance fast-start activities for the implementation of HFC phase-down;

- (b) To request UNDP and UNIDO:
 - (i) To proceed with disbursement or to cancel committed and not-committed funds that were not needed for completed projects, and to return the associated balances at the 95th meeting;
 - (ii) To proceed with disbursement or to cancel commitments for the projects completed over two years previously, and to return balances at the 95th meeting; and
- (c) To request UNIDO to proceed with disbursement or return at the 95th meeting the balances of the projects completed “by decision of the Executive Committee” and the completed projects funded using the additional voluntary contributions.

(Decision 94/2)

AGENDA ITEM 5: COUNTRY PROGRAMME DATA AND PROSPECTS FOR COMPLIANCE

29. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/5, indicating that, after the issuance of the document, the Secretariat had received 2022 country programme (CP) data for the Democratic People’s Republic of Korea and Equatorial Guinea. Paragraph (b) of the recommendation therefore needed to be removed. She also explained that, after 16 April, an additional 73 Article 5 countries had submitted CP data for 2023.

30. One member recalled a request made at the previous meeting for further information on the use of HFC-23 reported in the “other” sector category. He asked whether more details were available, including with regard to what proportion of the unknown usage had been resolved. The representative of the Secretariat responded that, of the two countries in question, one had reported data related to the refrigeration servicing sector, while details on the remaining country were not available; the Secretariat would continue to seek further clarification and report back at the subsequent meeting. The member nevertheless expressed his intention to conduct bilateral consultations on the matter.

31. The representative of the United States of America introduced a proposal for a draft decision set out in a conference room paper that requested countries that reported HFC-23 consumption in the column “other” to provide further details on the uses or most likely applications of HFC-23 reported in that column.

32. 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/94/5, and that, as at 16 April 2024, 21 countries had submitted 2023 CP data, 73 countries had submitted 2023 CP data after 16 April 2024 and 50 countries had not submitted such data; and
- (b) To request the countries that reported HFC-23 in the column “other” of the CP data reporting format to provide additional information or estimates, to the extent possible, on the uses or most likely applications of HFC-23 reported in the column.

(Decision 94/3)

AGENDA ITEM 6: EVALUATION

(a) **Progress update on the desk study for the evaluation of the Compliance Assistance Programme**

33. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/94/6.

34. One member, expressing concern that the regional network of national ozone officers of Latin America and the Caribbean had not met during the reporting period, requested the Secretariat to refer to the issue in its evaluation of the Compliance Assistance Programme (CAP). Another member noted that the consultant for the desk study had been informed of the need to avoid overlap with the previous evaluation on regional networks and suggested that the issue should be resolved bilaterally with the UNEP CAP.

35. The Executive Committee took note of the progress update on the desk study for the evaluation of the Compliance Assistance Programme contained in document UNEP/OzL.Pro/ExCom/94/6.

(b) Report on the external assessment of the evaluation function of the Multilateral Fund

36. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/94/7.

37. One member asked what lessons had been learned from the interviews of the relevant stakeholders. In response, the Senior Monitoring and Evaluation Officer said that the independent consultant was currently conducting targeted surveys to complement the information gathered from the interviews and was not yet in a position to share any preliminary findings.

38. The Executive Committee decided:

- (a) To note the report on the external assessment of the evaluation function of the Multilateral Fund (part I) as contained in document UNEP/OzL.Pro/ExCom/94/7; and
- (b) To request the Senior Monitoring and Evaluation Officer to present the final report of the external assessment of the evaluation function of the Multilateral Fund at the 95th meeting.

(Decision 94/4)

(c) Report on the review of project completion reports

39. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/94/8.

40. Several members expressed support for the adoption of the universal format for project completion reports (PCRs), which would improve efficiency and provide more meaningful data, and welcomed the inclusion of the new section on gender mainstreaming in the format. One member appreciated the inclusion of the optional section to report on the Sustainable Development Goals. Two members noted that the integration of PCRs into the knowledge management system would facilitate data extraction from the reports and enhance the functionality of the system. One member asked whether the Secretariat had consulted with implementing agencies when preparing the universal format.

41. In response, the Senior Monitoring and Evaluation Officer said that the Evaluation Unit had consulted the implementing agencies during the inter-agency coordination meetings in 2023 and 2024 and had conducted surveys to identify the agencies' needs and expectations with respect to the new format. The outcome of the consultations had been annexed to the document.

42. Two members agreed with the suggestion contained in paragraph 43 of document UNEP/OzL.Pro/ExCom/94/8 to prepare only one consolidated PCR at the first meeting of the year.

43. The Executive Committee decided:

- (a) To note the report on the review of project completion reports (PCRs) contained in document UNEP/OzL.Pro/ExCom/94/8;

- (b) To approve the universal PCR format contained in annex II to the present report, to be used by bilateral and implementing agencies once the knowledge management system provided the required functionalities for online submission of PCRs, by the end of 2025;
- (c) To request the Senior Monitoring and Evaluation Officer and the Secretariat:
 - (i) To coordinate the necessary actions to operationalize the integration of the universal PCR format and submission process into the knowledge management system, in phase 3 of that system's development as planned, ensuring adequate alignment of the PCR with the project reporting framework across the different milestones of the project life cycle and taking into account, where applicable, the discussions at the 95th meeting resulting from decision 93/1 on the document on the mapping of reporting requirements and the streamlining of reporting across the spectrum of reports;
 - (ii) To launch the online submission of PCRs after the completion of data migration, by the end of 2025; and
- (d) To request the Senior Monitoring and Evaluation Officer to report on the status of implementation of the PCR reform at the 97th meeting, as part of the annual report included in the document on the annual monitoring and evaluation work programme and budget.

(Decision 94/5)

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION

(a) Status reports and reports on projects with specific reporting requirements with no outstanding issues

44. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/9, which contained two sections.

I. Projects with implementation delays and for which special status reports were requested

45. Information relating to the projects with implementation delays and for which special status reports had been requested was presented in paragraph 2 of document UNEP/OzL.Pro/ExCom/94/9.

46. The Executive Committee decided:

- (a) To note:
 - (i) The reports on implementation delays and the status reports submitted by bilateral and implementing agencies contained in document UNEP/OzL.Pro/ExCom/94/9;
 - (ii) That bilateral and implementing agencies would report to the Executive Committee at the 95th meeting on 29 projects with implementation delays, as indicated in annexes III and IV to the present report, and on seven projects recommended for additional status reports, as indicated in annex V to the present report, as part of the 2023 annual and financial progress report of the bilateral and implementing agencies; and

- (b) To approve the recommendations on ongoing projects with specific issues listed in the last column of the table in annex V to the present report.

(Decision 94/6)

II. Projects with specific reporting requirements with no outstanding issues

47. The reports relating to stage II of the HPMPs for Chile, Kenya and Uruguay were removed from the present sub-item and added to the list of reports for individual consideration under sub-item 7(b).

A. Reports related to HCFC phase-out management plans

Argentina: HCFC phase-out management plan (stage II – availability of low-global-warming-potential alternatives to HCFC141b in the foam sector and transitional use of high-global-warming-potential alternatives) (UNIDO and the Government of Italy)

48. Information relating to the HPMP was set out in paragraphs 5 to 14 of document UNEP/OzL.Pro/ExCom/94/9.

49. The Executive Committee decided:

- (a) To note the report on the status of availability of low-global-warming-potential alternatives (low-GWP) to HCFC-141b in the foam sector and on the transitional use of high-global-warming-potential (high-GWP) alternatives in the context of stage II of the HCFC phase-out management plan for Argentina, provided by UNIDO and contained in document UNEP/OzL.Pro/ExCom/94/9; and
- (b) To request the Government of Argentina and UNIDO, in line with decision 92/31(c)(ii), to provide, at the 95th meeting, an update on the local market availability of low-GWP alternatives to HCFC-141b in the foam sector and on the transitional use of high-GWP alternatives.

(Decision 94/7)

Jordan: HCFC phase-out management plan (stage II – progress report on the implementation of the work programme associated with the final tranche) (World Bank and UNIDO)

50. Information relating to the HPMP was set out in paragraphs 26 to 38 of document UNEP/OzL.Pro/ExCom/94/9.

51. The Executive Committee took note of the progress report on the implementation of the work programme associated with the third and final tranche of stage II of the HCFC phase-out management plan for Jordan, submitted by the World Bank and contained in document UNEP/OzL.Pro/ExCom/94/9.

Malaysia: HCFC phase-out management plan (stage II – final progress report) (UNDP)

52. Information relating to the HPMP was set out in paragraphs 1 to 20 of document UNEP/OzL.Pro/ExCom/94/43.

53. The Executive Committee took note of the final progress report on the implementation of the work programme associated with stage II of the HCFC phase-out management plan for Malaysia submitted by UNDP and contained into document UNEP/OzL.Pro/ExCom/94/43.

Pakistan: HCFC phase-out management plan (stage II – progress report on the implementation of the third and fourth tranches) (UNIDO and UNEP)

54. Information relating to the HPMP was set out in paragraphs 49 to 61 of document UNEP/OzL.Pro/ExCom/94/9.

55. The Executive Committee took note of the progress report on the implementation of the third and fourth tranches of stage II of the HCFC phase-out management plan for Pakistan, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/94/9.

Pakistan: HCFC phase-out management plan (stage III – report on the status of imports of pre-blended polyols containing HCFC-141b and on the progress of implementation of technical assistance for the foam sector) (UNIDO and UNEP)

56. Information relating to the HPMP was set out in paragraphs 62 to 69 of document UNEP/OzL.Pro/ExCom/94/9.

57. The Executive Committee decided:

- (a) To note the report on the status of imports of pre-blended polyols containing HCFC-141b and on the progress of implementation of technical assistance for the foam sector under stage III of the HCFC phase-out management plan for Pakistan, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/94/9;
- (b) To request the Government of Pakistan, through UNIDO, to continue reporting:
 - (i) On the status of the ban on imports of HCFC-141b contained in pre-blended polyols, noting that the ban was expected to be implemented in 2024; and
 - (ii) On the status of imports of pre-blended polyols containing HCFC-141b on an annual basis until the ban on such imports was in place and on the progress of implementation of technical assistance for the foam sector.

(Decision 94/8)

South Africa: HCFC phase-out management plan (stage I – final progress report on the implementation of the fifth and final tranche) (UNIDO)

58. Information relating to the HPMP was set out in paragraphs 70 to 77 of document UNEP/OzL.Pro/ExCom/94/9.

59. The Executive Committee decided to note:

- (a) The final progress report on the implementation of the fifth and final tranche of stage I of the HCFC phase-out management plan (HPMP) for South Africa, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/94/9;
- (b) That an unused balance of US \$33,000 from stage I of the HPMP would be returned at the 95th meeting; and

- (c) That, upon completion of the end-user demonstration projects included in stage I of the HPMP, UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved.

(Decision 94/9)

Viet Nam – HCFC phase-out management plan (stage II – progress report) (World Bank and the Government of Japan)

60. Information relating to the HPMP was set out in paragraphs 93 to 95 of document UNEP/OzL.Pro/ExCom/94/9.

61. The Executive Committee took note of the submission by the World Bank of the final progress report on stage II of the HPMP for Viet Nam, which would be reviewed by the Secretariat and presented at the 95th meeting.

B. Report related to an HFC project

Jordan: Annual sales report of R-290-based large commercial unitary rooftop air-conditioning units (decision 90/25(b)(ii)) (UNIDO)

62. Information relating to the project was set out in paragraphs 96 to 98 of document UNEP/OzL.Pro/ExCom/94/9.

63. The Executive Committee took note of the submission by UNIDO, on behalf of Petra Engineering Industries Co., of the report on the annual sales of R-290-based large commercial unitary rooftop air-conditioning units in Article 5 and non-Article 5 countries, which would be reviewed by the Secretariat and presented at the 95th meeting.

(b) Reports on projects with specific reporting requirements with outstanding issues for individual consideration

Chile: HCFC phase-out management plan (stage II – final progress report on the implementation of the work programme associated with the final tranche) (UNDP, UNEP and UNIDO)

64. Information relating to the HPMP, which had been removed from the list of reports on projects with no outstanding issues under sub-item 7(a) and added to the list of reports for individual consideration under the present sub-item, was set out in paragraphs 15 to 25 of document UNEP/OzL.Pro/ExCom/94/9.

65. Responding to a question from one member, the representative of the Secretariat said that certain enterprises had withdrawn from the PU foam sector project because of their reluctance to commit to not using HFCs and to adopt a technology amid uncertainty as to its price. One member noted that the same economic challenges as those faced by enterprises in the foam sector in Chile were being felt in countries throughout the region.

66. The Executive Committee decided to note:

- (a) The final progress report on the implementation of the third and final tranche of stage II of the HCFC phase-out management plan (HPMP) for Chile, submitted by UNDP and contained in document UNEP/OzL.Pro/ExCom/94/9;
- (b) That the individual enterprise Multipanel had opted not to participate in the polyurethane foam conversion projects under stage II of the HPMP; and

- (c) That unused balances of US \$128,961, plus agency support costs of US \$9,027, including those from the enterprise referred to in subparagraph (b) and from monitoring, had been returned to the Multilateral Fund by UNDP at the 94th meeting.

(Decision 94/10)

China: Report on the difference between the remaining balance reported in United States dollars and that reported in renminbi in the financial audit report, and on the balances to be returned in stage I of the industrial and commercial refrigeration and air-conditioning sector plan (UNDP)

67. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/10.
68. In the ensuing discussion, appreciation was expressed for the efforts of the Secretariat, UNDP and the Government of China to explain the discrepancy between the remaining balance reported in United States dollars (USD) and that reported in renminbi (RMB) in the financial audit report and for the overarching principles set out in annex I to the document. Two members sought clarification of whether the exchange rate losses mentioned in the document had represented losses to the Multilateral Fund or whether they had been passed on to beneficiary enterprises. One member, noting that it was not apparent from the document how much funding had been contracted and paid out prior to the change of approach to conversion contracts in 2014, asked if there had been any losses to the Multilateral Fund and what they were, while another member asked whether the figure of US \$1,163,094 was the amount that would have been returned to the Multilateral Fund if the funds transferred from UNDP to the Foreign Economic Cooperation Office (FECO) of China had not been converted to RMB. It was noted that China benefited from a unique funding modality, with one member suggesting that, if that modality was resulting in losses of concern to the Multilateral Fund, it should perhaps be revisited at the 95th meeting of the Executive Committee.
69. The representative of the Secretariat said that, while there was no doubt that fluctuations in the RMB/USD exchange rate had an impact on the purchasing power of enterprises, it was difficult to calculate the exact gain or loss on exchange for the Multilateral Fund. For such a gain or loss to be considered as realized, there had to be a foreign exchange conversion at the time of payment or disbursement. The funds transferred from UNDP to FECO had been converted to RMB on the date of receipt and had remained in RMB at the time of payment or disbursement to enterprises. The exchange gains or losses could have been simulated if there had been a fixed USD or RMB equivalent amount on the date of the tranche approval and funds had been fully disbursed before the subsequent tranche had been released. Under such a scenario, the variance between the approved USD amount and the cumulative USD amounts converted from the RMB disbursed by FECO to enterprises on various dates and at various rates would have been realized as an exchange gain or loss. Even if the RMB equivalent at the time of receipt by FECO was considered as a baseline for variance purposes, the rolling balances between the various tranches did not make it possible to identify the tranche or exchange rate to which the disbursements related. The same applied for the balances to be returned, which, accordingly, were returned at the prevailing exchange rate.
70. In response to the question of whether it would be possible to set up a USD account for all sector plans in China, the representative of UNDP explained that there was a need to comply with the regulations of the Ministry of Finance of China regarding how bank accounts could be opened and funds transferred. Moreover, national auditors requested that accounts for grant-related projects be in RMB, a principle that was also applied to projects funded through the Global Environment Facility.
71. Additional discussions were held among interested members in the margins of the meeting.

72. The Executive Committee decided:

- (a) To note:
 - (i) The report on the difference between the remaining balance reported in United States dollars and that reported in renminbi in the financial audit report, and on the balances to be returned in stage I of the industrial and commercial refrigeration and air-conditioning (ICR) sector plan, as contained in document UNEP/OzL.Pro/ExCom/94/10;
 - (ii) The overarching principles for managing funds transferred from implementing agencies to the Foreign Economic Cooperation Office for stage II of the HCFC phase-out management plan (HPMP) for China, described in annex I of document UNEP/OzL.Pro/ExCom/94/10;
- (b) To request UNDP:
 - (i) To apply to stage II of the ICR sector plan for China, on a trial basis, the overarching principles referred to in subparagraph (a)(ii) above and the conditions for their application as described in annex VI to the present report;
 - (ii) As the lead implementing agency for stage II of the HPMP for China, to coordinate with other implementing agencies and submit a report to the 95th meeting on how to implement the overarching principles referred to in subparagraph (a)(ii) above in the solvent sector, the extruded polystyrene foam sector, the room air-conditioning manufacturing and heat pump water heater sector, and the refrigeration and air-conditioning servicing sector plan and the national enabling programme; and
- (c) To note that UNDP would return, at the 94th meeting, US \$18,337, which had been calculated on an exceptional basis using the exchange rate on 13 May 2024, representing the remaining balances of the funds from the implementation of stage I of the ICR sector plan, plus agency support costs of US \$1,322, for UNDP.

(Decision 94/11)

Kenya: HCFC phase-out management plan (stage II – change of technology for a supermarket (Quickmart)) (Government of France)

73. Information relating to the HPMP, which had been removed from the list of reports on projects with no outstanding issues under sub-item 7(a) and added to the list of reports for individual consideration under the present sub-item, was set out in paragraphs 39 to 48 of document UNEP/OzL.Pro/ExCom/94/9.

74. One member said that it would be helpful to receive additional details of how the approach using R-290-based equipment would work in practice and what the experience of other countries had been in adopting such an approach in supermarkets, including the cost compared with other approaches and the impact on energy efficiency. If the approach was feasible and cost-effective, it could prove highly useful for other countries that faced challenges in supermarket refrigeration. Another member asked whether the R-290-based equipment would consist of stand-alone units and said that, in the affirmative, there would be a drastic reduction in the cost of the project, which raised questions about the proposed redirection of funding to training.

75. A representative of the Government of Germany, as bilateral agency, explained that the approach using R-290-based equipment was being proposed following a technical evaluation of the Quickmart supermarket and was both cost-effective and easily replicable.

76. After informal discussions, the Executive Committee decided to defer, to the 95th meeting, consideration of the revised proposal for the incentive scheme for the commercial refrigeration sector under stage II of the HCFC phase-out management plan for Kenya that had been submitted at the 94th meeting, on the understanding that the Governments of France and Kenya would submit, to the 95th meeting, a further revised proposal reallocating some or all of the funds under the project to other end-user incentive programmes to promote the adoption of low-global-warming-potential technologies in the country and reducing the level of training support in comparison with the proposal submitted at the 94th meeting.

(Decision 94/12)

Uruguay: HCFC phase-out management plan (stage II – progress report on the implementation of the conversion of the foam sector) (UNDP)

77. Information relating to the HPMP, which had been removed from the list of reports on projects with no outstanding issues under sub-item 7(a) and added to the list of reports for individual consideration under the present sub-item, was set out in paragraphs 78 to 92 of document UNEP/OzL.Pro/ExCom/94/9.

78. One member expressed disappointment at the fact that most of the small and medium-sized enterprises (SMEs) had not been able to convert to the use of hydrofluoroolefin (HFO) technology by the end of the project. While acknowledging that the Government of Uruguay and the implementing agency had done their best, the member noted that most of the funding for the project was being returned, creating uncertainty about the future. He proposed that an update on the status of HFO conversion efforts and the technology selected by the SMEs be provided in a year and a half, at the 98th meeting, with a view to exploring possibilities for the Fund to help. The representative of the Secretariat said that the request for reporting would be considered for inclusion in projects with specific reporting requirements. The representative also noted that, although the present project was closing, enterprises could still be considered for assistance in the future via the KIP.

79. Another member noted that the present case illustrated the challenges that Latin American countries faced in phasing out HCFCs. In particular, the lack of availability of the required technology affected the sustainability of conversion efforts, causing some SMEs to leave the market or change their strategies and leading to a negative economic impact on countries in the region.

80. The Executive Committee decided:

- (a) To note:
 - (i) The report on progress in implementation of the conversion of the foam enterprises and the availability of hydrofluoroolefin (HFO)/HFO-based polyurethane (PU) systems and their associated components funded under stage II of the HCFC phase-out management plan (HPMP) for Uruguay;
 - (ii) That the ban on imports of pure HCFC-141b had been implemented from 1 January 2023 and that the ban on HCFC-141b contained in imported pre-blended polyols had been in force since 1 January 2024;
 - (iii) The completion of stage II of the HPMP for Uruguay, and that unspent incremental operating costs in the amount of US \$309,186, plus agency support costs of

US \$21,643, associated with that PU foam enterprises that had not converted, would be returned to the Multilateral Fund at the 96th meeting; and

- (b) To request the UNDP to provide, at the 98th meeting, an update on the technology selected by the small- and medium-sized foam manufacturing enterprises and the availability of HFO-based technology in the foam sector in Uruguay.

(Decision 94/13)

(c) 2024 consolidated project completion report

81. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/94/11.

82. The Executive Committee decided:

- (a) To note the 2024 consolidated project completion report (PCR) (part I) contained in document UNEP/OzL.Pro/ExCom/94/11;
- (b) To request:
 - (i) Bilateral and implementing agencies to submit, at the 95th meeting, the outstanding PCRs for multi-year agreements (MYAs) and individual projects or to provide reasons for failing to do so;
 - (ii) Lead and cooperating implementing agencies to continue coordinating their work closely in finalizing their respective portions of PCRs to facilitate the timely submission of the reports by the lead implementing agencies;
 - (iii) Bilateral and implementing agencies, when filling in the data for PCR submissions, to ensure the inclusion of relevant and useful information, including gender information, and to report on lessons learned and reasons for delays in project implementation for their use in future improvements in project design and implementation; and
- (c) To invite all those involved in the preparation and implementation of MYAs and individual projects, in particular the Secretariat and the bilateral and implementing agencies, to take into consideration the lessons learned from PCRs, where applicable.

(Decision 94/14)

AGENDA ITEM 8: BUSINESS PLANNING

(a) Update on the status of implementation of the 2024–2026 consolidated business plan of the Multilateral Fund and financial planning for the triennium 2024–2026

83. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/12.

84. One member asked whether new projects could be submitted during the present triennium. The representative of UNEP responded that the 2024–2026 consolidated business plan, submitted at the 93rd meeting, included projects projected for implementation during the 2024–2026 triennium. Should new projects be planned prior to the 95th meeting, they would be for inclusion in the 2025–2027 business plan to be considered at the 95th meeting.

85. Another member requested clarification of an apparent difference between the resource allocation of the adjusted 2024–2026 consolidated business plan, which amounted to approximately US \$500 million, and the Fund budget of US \$965 million approved in decision XXXV/I. The representative of the Secretariat explained that the balance of US \$493 million was for activities that had yet to be committed; as the Fund worked with a rolling business plan, the resources available would depend on the value of the new activities to come later in the triennium. One member expressed concern that the business plan did not appear to exhaust the available resources. Noting that the number of projects submitted was lower than in previous years and that implementing agencies faced challenges despite the additional resources provided to them, she suggested that there be a discussion on how to encourage countries to submit more proposals. Another member proffered that the language in the recommendation in the document would be sufficient; the former agreed.

86. The Executive Committee decided:

- (a) To note:
 - (i) The update on the status of implementation of the 2024–2026 consolidated business plan of the Multilateral Fund and financial planning for the triennium 2024–2026 contained in document UNEP/OzL.Pro/ExCom/94/12;
 - (ii) That the total value of activities as requested at the 94th meeting amounted to US \$62,835,221, including US \$4,791,958 for HFC-related activities, US \$2,830,001 for pilot projects on energy efficiency and US \$2,418,400 for the preparation of national inventories of banks of waste-controlled substances, of which US \$5,994,565 was associated with project proposals not included in the 2024 business plan;
 - (iii) With appreciation, the report provided by UNDP on the outcome of its discussions with the Government of the Dominican Republic on the issues raised in the assessment of its qualitative performance, in line with decision 93/8(b);
- (b) To adopt a resource allocation of US \$181 million in 2024, US \$392 million in 2025 and US \$392 million in 2026, with any unallocated funds to be allocated subsequently during the 2024–2026 triennium;
- (c) To urge implementing agencies to submit all projects and activities endorsed in the business plan in order to utilize fully the resources available during the 2024–2026 triennium; and
- (d) To consider the availability of cash flow for the 2026 budget at the last meeting in 2025 in light of the collection of interest, the unexpected return of unused balances from projects/agreements, the payment of pledges from trienniums prior to the replenishment for the period 2024–2026, any losses due to the non-payment of pledges expected from the replenishment for the period 2024–2026 and any losses or gains due to the fixed-exchange-rate mechanism.

(Decision 94/15)

(b) Tranche submission delays

87. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/13.

88. The Executive Committee decided:

(a) To note:

- (i) The report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/94/13;
- (ii) The information on tranche submission delays under HCFC phase-out management plans (HPMPs) submitted by the Government of France, the Government of Germany, UNDP, UNEP and UNIDO;
- (iii) That 32 out of 60 activities (18 out of 35 countries) related to tranches of HPMPs due for submission at the 94th 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 first meeting in 2024 would have no impact on countries' 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 VII to the present report.

(Decision 94/16)

AGENDA ITEM 9: PROJECT PROPOSALS

(a) Overview of issues identified during project review

89. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/14.

Calculation of the climate impact of activities included in Kigali HFC implementation plans

90. A representative of the Secretariat said that the Secretariat had received an updated version of the Multilateral Fund Climate Impact Indicator (MCII) model from the expert consultant and was in the process of testing it. The updates to the model included the addition of the most commonly reported HFC blends and alternatives; the linking of the model to a commercially available thermodynamic database to enable more accurate and flexible model use; the updating of the heat-transfer correction factors; and the addition of user-accessible heat-exchanger coefficients.

91. The development of a methodology to estimate the emissions avoided through the implementation of HFC phase-down projects supported by the Multilateral Fund was work in progress. The Secretariat was reviewing the scientific literature and established methodologies to develop a methodology for calculating the emissions avoided through the implementation of such projects, including both investment projects and non-investment activities. Issues being considered included whether and how to account for growth and the duration of the period for which the emissions avoided would be calculated. The Secretariat expected to be able to use the updated MCII model for conversion projects in the refrigeration and air-conditioning manufacturing sector submitted at the 95th meeting, but additional time would be needed to develop the methodology and to estimate the emissions avoided through the implementation of the phase-down projects.

92. One member thanked the Secretariat for that update and pointed out that, given that the work of the Multilateral Fund was increasingly focused on reducing climate impact and achieving reductions in greenhouse gas emissions, a credible methodology for tracking and reporting on such reductions was needed.

93. The member expressed his satisfaction that the updated MCII model could be applied to refrigeration and air-conditioning investment projects reviewed at the 95th meeting and said that it would be useful to include a description of the application of the updated MCII in the overview of issues identified during project review at that meeting.

Consideration of the list of countries selected for verification and their requests for funding

94. The Executive Committee decided:

- (a) To note that relevant bilateral and implementing agencies had included in their 2024 work programmes, submitted at the 94th meeting, requests for funding the verification reports for HCFC phase-out management plans for Angola, the Bahamas, Barbados, Burkina Faso, Cambodia, Chad, Gabon, Grenada, Guyana, Madagascar, Montenegro, Mozambique, Nicaragua, North Macedonia, Sierra Leone, Sri Lanka and Timor-Leste; and
- (b) To consider the requests for funding associated with the verifications mentioned in subparagraph (a) above in the context of the work programmes that had been submitted by each relevant implementing agency under agenda item 9(d) on projects recommended for individual consideration.

(Decision 94/17)

Clarification of Secretariat practices with regard to Kigali HFC implementation plans

95. One member said that he wished to make three observations. First, at its 93rd meeting, the Executive Committee had included, in several of its decisions on the approval of KIPs, wording to indicate that the Government in question would continue to monitor its HFC consumption so as to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be and that it would provide that analysis when submitting the second tranche of its KIP. The same wording was reflected in three of the recommendations proposed by the Secretariat at the current meeting, and he wished to know what criteria had been used to determine when to include such wording.

96. Second, in contrast to project documents prepared for previous meetings of the Executive Committee, the documents submitted at the present meeting did not include a forecast of HFC consumption. The significant uncertainty surrounding such forecasts notwithstanding, it was still useful to know the estimated growth when discussing projects in countries for which consumption was still in a growth trajectory. He therefore suggested including such forecasts in future project documents.

97. Lastly, noting the approach developed at the 93rd meeting of the Executive Committee whereby a particular approach was used to calculate the cost and reductions from the starting point of all KIPs for the non-low-volume-consuming (non-LVC) countries in the servicing sector, he proposed that the Committee take a decision explicitly stating an intention to continue to use such an approach.

98. Responding to the first point, the representative of the Secretariat explained that the clause about monitoring HFC consumption had been used in cases where the fluctuation in the consumption of HFCs in baseline years was not fully understood and where it was unclear whether it represented regular market needs. While there might have been other cases in which consumption fluctuated, the Secretariat had used the clause only when it had been unable to identify an explanation for the fluctuation.

99. With regard to the second point, the Secretariat had chosen not to include the tables outlining unconstrained scenarios for HFC consumption growth, given their uncertainty and as they were not strictly

required for the decision-making process. If the Committee found the tables useful, however, they could be incorporated into future KIP documents.

100. As for the third point, while thanking the member who made a proposal, several members said that they needed more time to consider the matter before taking a decision. The representative of the Secretariat clarified that the methodology in annex I to document UNEP/OzL.Pro/ExCom/93/97 had in fact been used to determine the reductions in remaining HFC consumption eligible for funding in line with the agreed costs.

101. Subsequently, the representative of Canada introduced a proposed draft decision, set out in a conference room paper, on the continued use of the approach developed by the Secretariat and used since the 93rd meeting of the Executive Committee.

102. Several members said that more time was needed to consider carefully the impact of adoption of the proposed draft decision. One of those members asked how the proposed methodology would affect the calculation of the starting point as proposed in paragraphs 8 to 15 of document UNEP/OzL.Pro/ExCom/93/97. He also requested to hear the views of the implementing agencies that had submitted implementing KIPs in the servicing sector.

103. The representative of the Secretariat said that the approach taken in the case of low-volume-consuming (LVC) countries with consumption in the servicing sector only was outlined in paragraphs 12 to 14 of document UNEP/OzL.Pro/ExCom/93/97. It was indicated in the project cover sheet for the KIPs that the starting point would not be applicable to those countries. The Secretariat had received a number of project proposals for KIPs for non-LVC countries with consumption in the servicing sector only, the approach for which was outlined in paragraphs 8 and 9 of the aforementioned document, and for non-LVC countries with consumption in both the servicing and manufacturing sectors, the approach for which was outlined in paragraphs 10 and 11.

104. Aware of the time constraints at the current meeting, the representative of Canada suggested that his proposed draft decision be annexed to the report of the meeting, with a view to its consideration at the 95th meeting. He said that it would be useful to have a presentation, at that meeting, either by the Secretariat alone or by the Secretariat and implementing agencies, on the methodology that had been used since the 93rd meeting to calculate costs for the servicing sector in stage I of KIPs for non-LVC countries.

105. The Executive Committee decided to consider, at the 95th meeting, the proposal by the Government of Canada, set out in annex VIII to the present report, on the continued application of the approach, developed at the 93rd meeting, to cost-effectiveness calculations in the servicing sector in Kigali HFC implementation plans for non-low-volume-consuming countries.

(Decision 94/18)

(b) Bilateral cooperation

106. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/15.

107. The representative of the Secretariat said that, subsequent to the issuance of the document, the Secretariat had received endorsement letters from the Governments of Sierra Leone and Uganda indicating that their pilot energy-efficiency projects would be prepared by the Government of the United Kingdom of Great Britain and Northern Ireland rather than by the Government of Germany. That request was within the 20 per cent allowable level of bilateral cooperation of the Government of the United Kingdom.

108. One member recalled that, at the 93rd meeting, which had coincided with the end of the previous triennium, one bilateral agency had exceeded its 20 per cent allowable limit. He recommended that the

Executive Committee keep track of the situation throughout the current triennium to ensure that the situation did not reoccur.

109. The Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved at the 94th meeting as follows:

- (a) US \$783,667 (including agency support costs) against the balance of the bilateral contribution of the Government of Austria for 2024–2026;
- (b) US \$6,870,648 (including agency support costs) against the balance of the bilateral contribution of the Government of Germany for 2024–2026; and
- (c) US \$67,800 (including agency support costs) against the balance of the bilateral contribution of the Government of the United Kingdom of Great Britain and Northern Ireland for 2024-2026.

(Decision 94/19)

(c) Projects recommended for blanket approval

110. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/16.

111. One member asked that the third tranche of stage II of the HPMP for Sri Lanka be removed from the list of projects recommended for blanket approval so that it could be considered in conjunction with the pilot project on energy efficiency in the servicing sector in that country.

112. Another member requested that the second tranche of stage III of the HPMP for Nigeria be removed from the list of projects recommended for blanket approval and considered individually, as further clarification was needed on certain issues.

113. The Executive Committee decided to approve the projects and activities submitted for blanket approval at the levels of funding indicated in annex IX to the present report, together with the implementation programmes associated with relevant tranches of multi-year agreement projects, updated Agreements where applicable, relevant conditions or provisions included in the corresponding project evaluation documents, noting:

- (a) That the following Agreements had been updated:
 - (i) Between the Government of Belize and the Executive Committee for stage II of the HCFC phase-out management plan (HPMP), as contained in annex X to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 87th meeting;
 - (ii) Between the Government of Cambodia and the Executive Committee for stage I of the HPMP, as contained in annex XI to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 16, which had been updated to indicate that the updated Agreement superseded that reached at the 70th meeting;

- (iii) Between the Government of Cuba and the Executive Committee for stage II of the HPMP, as contained in annex XII to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 86th meeting;
- (iv) Between the Government of Eswatini and the Executive Committee for stage II of the HPMP, as contained in annex XIII to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting;
- (v) Between the Government of the Lao People's Democratic Republic and the Executive Committee for stage II of the HPMP, as contained in annex XIV to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector and the shift of the third tranche to 2027, Appendix 5-A, to reflect the new national ozone unit under the Department of Climate Change, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 86th meeting;
- (vi) Between the Government of Paraguay and the Executive Committee for stage II of the HPMP, as contained in annex XV to the present report, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 87th meeting;
- (vii) Between the Government of Saint Lucia and the Executive Committee for stage II of the HPMP, as contained in annex XVI to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 87th meeting;
- (viii) Between the Government of Timor-Leste and the Executive Committee for stage II of the HPMP, as contained in annex XVII to the present report, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector and the shift of the original third funding tranche from 2023 to 2024, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 80th meeting;
- (ix) Between the Government of Zambia and the Executive Committee for stage II of the HPMP, as contained in annex XVIII to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 86th meeting; and

- (b) That, for projects related to the renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient Governments, as contained in annex XIX to the present report.

(Decision 94/20)

(d) Projects recommended for individual consideration

114. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/17.

I. Non-investment activities

A. Technical assistance: Preparation of verification reports on HCFC consumption

115. The Executive Committee considered the selection of countries listed in table 2 of document UNEP/OzL.Pro/ExCom/94/17.

116. In line with decision 94/17, the Executive Committee decided to approve the preparation of verification reports on HCFC consumption for the following countries, on the understanding that the reports had to be submitted 10 weeks prior to the Executive Committee meeting at which the subsequent tranche of the HCFC phase-out management plans (HPMPs) was being sought:

- (a) Angola and Sri Lanka, for verification of stage II of the HPMPs, in the amount, each, of US \$30,000, plus agency support costs of US \$2,700, for UNDP;
- (b) Bahamas, Barbados, Burkina Faso, Cambodia, Chad, Gabon, Grenada, Guyana, Madagascar, Mozambique, Nicaragua, Sierra Leone and Timor-Leste, for verification of stage II of the HPMPs, in the amount, each, of US \$30,000, plus agency support costs of US \$3,900, for UNEP; and
- (c) Montenegro and North Macedonia, for the verification of stage II of the HPMPs, in the amount, each, of US \$30,000, plus agency support costs of US \$2,700, for UNIDO.

(Decision 94/21)

B. Institutional strengthening projects

South Africa: Request for an institutional strengthening project (phase I) (UNEP)

117. The Executive Committee considered the project was set out in paragraphs 21 to 24 of document UNEP/OzL.Pro/ExCom/94/19.

118. The Executive Committee decided to approve the institutional strengthening project (phase I) for South Africa in the amount of US \$500,000 for UNEP.

(Decision 94/22)

C. Preparatory projects

China: Preparation of stage I of the Kigali HFC implementation plan (UNDP)

119. Information relating to the project was set out in paragraphs 13 to 17 of document UNEP/OzL.Pro/ExCom/94/18.

120. Some members had several questions about the KIP and suggested that bilateral discussions take place.

121. Following those bilateral discussions, the Executive Committee agreed to defer to the 95th meeting consideration of the project for preparation of stage I of the KIP for China.

Papua New Guinea: Preparation of stage I of the Kigali HFC implementation plan (Government of Germany)

122. The Executive Committee considered project set out in paragraphs 4 to 10 of document UNEP/OzL.Pro/ExCom/94/15.

123. One member stated that she would support the project preparation based on the proposal by the Secretariat, on the understanding that the country would finalize its ratification of the Kigali Amendment.

124. The Executive Committee decided to approve the project preparation for the Kigali HFC implementation plan for Papua New Guinea, in the amount of US \$130,000, plus agency support costs of US \$16,900, for the Government of Germany, on the condition that funding would be disbursed by the Treasurer only after the receipt of confirmation that the official instrument of ratification had been deposited with and received by the United Nations depositary, signifying the country's ratification of the Kigali Amendment.

(Decision 94/23)

China: Preparation of a pilot project to maintain and/or enhance energy efficiency in air-conditioning for data centres (UNDP)

125. The Executive Committee considered the project set out in paragraphs 21 to 28 of document UNEP/OzL.Pro/ExCom/94/18.

126. Several members observed that the proposal presented a new type of project for the Multilateral Fund. They requested a bilateral discussion to address a number of issues and requested more information on the relation that the project had to HFC phase-down. One member requested that the Secretariat give a short presentation to clear up some of the questions.

127. The representative of the Secretariat presented the pilot project as contained in the document.

128. The Chair acknowledged the need for further discussion and asked interested parties to consult with the Secretariat to address the various issues.

129. Following those consultations, the Executive Committee decided to approve the preparation of a pilot project to improve energy efficiency and to accelerate the removal of HFCs through a single-phase immersion cooling solution at an intelligent data centre in China, in the amount of US \$25,000, plus agency support costs of US \$1,750, for UNDP.

(Decision 94/24)

Global: Preparation of a pilot project to demonstrate the use of digital monitoring and management tools to enhance energy efficiency and reduce emission of greenhouse gases in the space cooling and cold chain sectors in Colombia, Lebanon, Panama, Sri Lanka, and Trinidad and Tobago (UNDP)

130. The Executive Committee considered the project set out in paragraphs 29 to 36 of document UNEP/OzL.Pro/ExCom/94/18.

131. One member said that there could be an interesting connection to be made between the present pilot project and the proposed pilot project to maintain and/or enhance efficiency in air-conditioning for data centres.

132. Another member stated that the project remained relatively unchanged from the version presented at the 93rd meeting (UNEP/OzL.Pro/ExCom/93/35). That member reiterated a request to revisit the proposal, as she considered that the project would not be effective if the outcomes and deliverables remained unchanged. Furthermore, the reduction in HFC consumption that the project would result in was not known. She added that the project was expected to cost US \$1,000,000, which was a substantial sum for what seemed to be a project with no environmental benefit. She also noted that, in the present version of the project, UNDP had indicated the possibility of obtaining co-funding, but was unable to provide assurances. There was thus a need for further discussion.

133. Following informal discussions in the margins of the meeting, the Executive Committee decided to approve the request for the preparation of a global pilot project to demonstrate the use of digital monitoring and management tools to enhance energy efficiency and reduce the emissions of greenhouse gases in the space cooling and cold chain sectors in Colombia, Lebanon, and Trinidad and Tobago, in the amount of US \$80,000, plus agency support costs of US \$5,600, for UNDP, on the understanding that the final project would focus on the cold chain sector and would include information relating to the reduction in HFC consumption, energy savings in kilowatt-hours, any co-funding and how the outputs and outcomes would contribute to implementation of Kigali HFC implementation plans.

(Decision 94/25)

II. Investment projects under multi-year agreements

A. New stages of HCFC phase-out management plans

Brazil: HCFC phase-out management plan (stage III – first tranche) (UNDP, UNIDO and the Government of Germany)

134. The representative of the Secretariat introduced the project contained in paragraphs 39 to 98 of document UNEP/OzL.Pro/ExCom/94/25.

135. Several members acknowledged with appreciation the proposal, with one member noting that Brazil making a commitment beyond its HCFC compliance targets. While also noting with appreciation that the demonstration projects included in the HPMP would encourage end users not to transition to high-GWP HFC technologies, the member requested more information on the technologies selected for the demonstration projects in chillers and industrial refrigeration applications and asked if regulatory measures were being considered to support the avoidance of HFCs.

136. Others expressed their support for the project, with one considering it a strong proposal and relatively cost-effective, owing to the amount of consumption being phased out. The same member asked for more information on the technologies selected for the demonstration projects and highlighted that, in general, the demonstration and end-user projects that were being submitted did not provide sufficient information on the technology selected. The member reminded the implementing agencies that, using the funding approved for preparation of the proposals, it was expected that an assessment of technologies and their cost and the end users that might be included be undertaken, noting that the Executive Committee could consider a change in technology, if needed.

137. In response, another member highlighted that, although the Committee incentivized countries to present projects, too much scrutiny of the projects could discourage future submissions. He stressed the need

for innovative solutions to enable countries to eliminate HCFC consumption completely and cautioned against inflexibility, which could also act a disincentive to project submissions.

138. A representative of the Secretariat, responding to the question about the specific technologies that the Committee would approve for the demonstration projects in Brazil, confirmed that the Secretariat had held extensive discussions with UNDP on the alternatives selected and their cost. He confirmed that, for the demonstration projects in air-conditioning, R-290 was the main technology to be demonstrated in chillers and smaller air-conditioning units. The technology selected for the specific application of variable refrigerant flow units only was HFC-32, owing to the characteristics of the equipment. Ammonia or HFOs could be considered for chillers in few cases, but the main technology continued to be R-290. In relation to the demonstration projects in commercial and industrial refrigeration by UNIDO, R-290 was the technology selected for the modular chillers in the supermarket project, while, for industrial refrigeration, the main technology to be demonstrated was ammonia. On the question related to the development of supporting regulations to encourage avoidance of the use of HFC technology, the Secretariat informed the Committee that the project did not include regulatory measures on HFCs, but the KIP, which would most likely be submitted at the 97th meeting, was being prepared to address HFCs in the light of the activities being implemented under the HPMP.

139. The representative of UNDP further clarified that, at the time of project preparation, it was not possible for the agency to know the exact beneficiary end-users, as they would be selected during project implementation through expressions of interest, in accordance with the rules, to ensure the equal treatment of companies.

140. Members acknowledged the thoroughness of the responses by the Secretariat and UNDP and expressed their support for approval of stage III of the HPMP.

141. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Brazil for the period 2024–2030 for the complete phase-out of HCFC consumption, in the amount of US \$36,564,717, consisting of US \$16,700,130, plus agency support costs of US \$1,169,009, for UNDP, US \$7,838,622, plus agency support costs of US \$548,704, for UNIDO and US \$9,277,704, plus agency support costs of US \$1,030,548, for the Government of Germany, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note:
 - (i) The commitment of the Government of Brazil to phase out HCFCs completely and to ban the imports of HCFCs 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) That upon completion of the end-user projects on chillers, air-conditioning units, commercial refrigeration units and industrial refrigeration units included in stage III of the HPMP, UNDP and UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved;

- (c) That, to allow for consideration of the final tranche of its HPMP, the Government of Brazil 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 Brazil 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;
- (d) To deduct 641.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To request UNDP to include in the progress report to be submitted with the request of the second tranche of stage III, information about the end-user incentive mechanisms established within the demonstration projects on chillers and air-conditioning units;
- (f) To approve:
 - (i) The Agreement between the Government of Brazil and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in annex XX to the present report; and
 - (ii) The first tranche of stage III of the HPMP for Brazil, and the corresponding tranche implementation plan, in the amount of US \$10,886,940, consisting of US \$5,010,039, plus agency support costs of US \$350,703, for UNDP, US \$2,351,587, plus agency support costs of US \$164,611, for UNIDO and US \$2,709,081, plus agency support costs of US \$300,919, for the Government of Germany.

(Decision 94/26)

Comoros: HCFC phase-out management plan (stage II – first tranche) (UNEP)

142. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/30.
143. The Executive Committee decided:
- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Comoros for the period 2024–2030 for the complete phase-out of HCFC consumption, in the amount of US \$427,500, plus agency support costs of US \$55,575, for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs and no servicing tail would be needed;
 - (b) To note the commitment of the Government of the Comoros:
 - (i) To phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date;
 - (ii) To ban the import of HCFC-based equipment by 1 January 2027;

- (c) To deduct 0.09 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve:
 - (i) The Agreement between the Government of the Comoros 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; and
 - (ii) The first tranche of stage II of the HPMP for the Comoros, and the corresponding tranche implementation plan, in the amount of US \$150,000, plus agency support costs of US \$19,500, for UNEP, on the understanding that UNEP would submit an updated verification report to include the 2023 consumption data by 30 June 2024.

(Decision 94/27)

Côte d'Ivoire: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

144. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/31.

145. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Côte d'Ivoire for the period 2024–2030 for the complete phase-out of HCFC consumption, in the amount of US \$3,154,100, consisting of US \$1,830,000, plus agency support costs of US \$211,300, for UNEP and US \$1,040,000, plus agency support costs of US \$72,800, 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 Côte d'Ivoire 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 41.47 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Côte d'Ivoire 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 Côte d'Ivoire 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 Côte d'Ivoire 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; and

- (f) To approve the first tranche of stage II of the HPMP for Côte d'Ivoire and the corresponding tranche implementation plan, in the amount of US \$1,524,287, consisting of US \$790,000, plus agency support costs of US \$91,217, for UNEP and US \$601,000, plus agency support costs of US \$42,070, for UNIDO.

(Decision 94/28)

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

146. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/36.

147. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Gabon for the period 2024–2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,014,850, consisting of US \$645,000, plus agency support costs of US \$80,950, for UNEP and US \$270,000, plus agency support costs of US \$18,900, for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs, and no servicing tail would be needed;
- (b) To note the commitment of the Government of Gabon:
- (i) To phase out HCFCs completely by 1 January 2030, to ban the import of HCFCs by that date and to ban the import of HCFC-based equipment by 1 January 2027;
- (ii) To establish regulatory measures to control intended emission of refrigerant during installation, servicing and decommissioning of refrigerant and air-conditioning equipment, within stage II of the HPMP;
- (c) To deduct 19.63 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve:
- (i) The Agreement between the Government of Gabon 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; and
- (ii) The first tranche of stage II of the HPMP for Gabon, and the corresponding tranche implementation plan, in the amount of US \$369,566, consisting of US \$181,000, plus agency support costs of US \$22,716, for UNEP and US \$155,000, plus agency support costs of US \$10,850, for UNIDO.

(Decision 94/29)

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

148. The Executive Committee considered the information contained in paragraphs 21 to 57 of document UNEP/OzL.Pro/ExCom/94/43.

149. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Malaysia for the period 2024–2030 for the complete phase-out of HCFC consumption, in

the amount of US \$15,983,465, plus agency support costs of US \$1,118,843, 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 Malaysia:
 - (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 HCFC-141b for all uses by 31 December 2025 and to ban the import of HCFC-based equipment for sensitive sectors by 31 December 2027;
- (c) To deduct 257.67 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Malaysia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in annex XXIV to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Malaysia 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 Malaysia 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; and
- (f) To approve the first tranche of stage III of the HPMP for Malaysia, and the corresponding tranche implementation plan, in the amount of US \$5,542,907, plus agency support costs of US \$388,003, for UNDP

(Decision 94/30)

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

150. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/51.

151. He said that, since issuance of the document, all outstanding issues related to the project proposal had been resolved. In particular, agreement had been reached that: 5,000 technicians would be trained and certified under the HPMP, resulting in a reduction in agreed funding for training, certification and tools to incentivize certification; given the number of technicians that needed to be trained and certified, there was a need to further strengthen the country's training infrastructure, which would also help to ensure the sustainability of the country's refrigeration and air-conditioning technician training and certification system; tools would be provided to 80 training schools; and 20 training institutes in major cities in the country would be provided with training equipment, including two refrigeration cycle demonstration units each, at a cost of US \$50,000 per training institute. As a result, the agreed funding for technician capacity-building was US \$13.574 million, as opposed to the US \$17.719 million originally recommended by the Secretariat. The total agreed cost of the project was US \$16,656,088, plus agency support costs, resulting in a cost-effectiveness of US \$2.85 per kilogram of reduction funded. In view of the additional reductions from

remaining consumption eligible for funding for which no funding had been requested, the overall project cost-effectiveness stood at US \$1.20 per kilogram. Lastly, a number of milestones had been agreed in addition to those mentioned in the document.

152. During the discussion, several members expressed support for the project proposal, while several others said that they would appreciate additional time to consider the developments that had occurred since the issuance of the document and an opportunity to hold informal consultations on some outstanding concerns, including with regard to the challenges faced in the implementation of stage I of the HPMP and the results of the two demonstration projects on air-conditioning manufacturing, which had failed to meet expectations.

153. Following those consultations, during which it had been agreed to reduce, to 400 ODP tonnes, the 2027, 2028 and 2029 target in row 1.2 of Appendix 2-A of the Agreement between the country and the Executive Committee, the Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Saudi Arabia for the period 2024–2030 for the complete phase-out of HCFC consumption, in the amount of US \$18,036,768, consisting of US \$11,537,233, plus agency support costs of US \$807,606, for UNIDO and US \$5,118,855, plus agency support costs of US \$573,074, 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 Saudi Arabia 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:
 - (i) To ban the import and manufacture of HCFC-based equipment by 1 January 2025;
 - (ii) To exempt equipment imported into the country under stage II of the HPMP from levies, taxes and duties or to bear the cost of any such levies, taxes and duties;
- (d) To note further:
 - (i) That the implementation of stage II of the HPMP would result in the training and certification of at least 5,000 technicians;
 - (ii) That the submission of the second tranche of stage II of the HPMP would be contingent on: the implementation of a ban on the import and manufacture of HCFC-based equipment; the development of policy and regulations for reclamation and the establishment of one reclamation centre; and the training and certification of at least 1,000 technicians;
 - (iii) That the submission of the third tranche of stage II of the HPMP would be contingent on: the implementation of an e-registration system for certified technicians; the implementation of an e-registration system for servicing workshops; the development of a road map for a green procurement policy that required that only certified technicians should be allowed to service refrigeration and air-conditioning equipment under government contracts; the training and certification of at least 3,000 technicians; and the reclamation of at least 20 metric tonnes of controlled substances;

- (e) To deduct 765.40 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (f) To approve the Agreement between the Government of Saudi Arabia 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;
- (g) That, to allow consideration of the final tranche of its HPMP, the Government of Saudi Arabia 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 Saudi Arabia 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; and
- (h) To approve the first tranche of stage II of the HPMP for Saudi Arabia, and the corresponding tranche implementation plan, in the amount of US \$6,455,955, consisting of US \$4,357,084, plus agency support costs of US \$304,995, for UNIDO and US \$1,613,265, plus agency support costs of US \$180,611, for UNEP.

(Decision 94/31)

B. Tranche requests under stage II and III of HCFC phase-out management plans

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

154. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/22.

155. One member, noting that all outstanding issues with the project proposal had been adequately resolved, encouraged the Government of Bangladesh to devise a plan to ensure a smooth phase-out of HCFC-141b contained in imported pre-blended polyols in the foam sector.

156. 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 Bangladesh;
 - (ii) That the Government of Bangladesh would implement a ban on the import and manufacturing of residential air conditioners using HCFC-22 by 1 July 2025;
 - (iii) That the enterprise Unitech Products had withdrawn from the conversion project in the manufacturing sector and that the funds associated with its conversion in the amount of US \$440,880, plus agency support costs of US \$30,862, would be deducted from the approval for UNDP of the third tranche of stage II of the HPMP;
 - (iv) The request from UNEP to release, in advance of the scheduled date, the funding associated with the fourth and final tranche of stage II of the HPMP, which was due

at the last meeting of 2025, in the amount of US \$54,280, plus agency support costs of US \$6,986;

- (v) That the Fund Secretariat had updated the Agreement between the Government of Bangladesh and the Executive Committee, as contained in annex XXVI to the present report, specifically Appendix 2-A, to reflect the advancement of the 2025 tranche by a year referred to in subparagraph (a)(iv) above, and the deduction of funds from the third tranche referred to in subparagraph (a)(iii) above, and paragraph 17, to indicate that the revised updated Agreement superseded that reached at the 90th meeting;
- (b) To note also:
 - (i) That all the enterprises funded under the air-conditioning sector conversion project, excluding Unitech Products, would continue to manufacture air conditioners using R-290/HFC-32 as the refrigerant, at least at the quantities equivalent to the manufacturing capacity of the air conditioners at the respective plants funded under that project;
 - (ii) That the Government of Bangladesh, through UNDP, would report the number of air conditioners using R-290/HFC-32 as the refrigerant, excluding Unitech Products, that were manufactured each year during the period 2025–2027 by each of the enterprises funded under the air-conditioning sector conversion project, doing so at the first meeting of every following year;
- (c) To request the Government of Bangladesh, UNDP and UNEP to submit, on a yearly basis, progress reports on the implementation of the work programme associated with the final tranche through completion of the project and verification reports until approval of stage III; and
- (d) To approve the third and final tranche of stage II of the HPMP for Bangladesh, and the corresponding 2024–2026 tranche implementation plan, in the amount of US \$871,609, consisting of US \$630,324, plus agency support costs of US \$44,123, for UNDP, and US \$174,680, plus agency support costs of US \$22,482, for UNEP.

(Decision 94/32)

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

157. The representative of the Secretariat introduced the project contained in paragraphs 1 to 38 of document UNEP/OzL.Pro/ExCom/94/25.

158. Responding to a question about the technology that the downstream users associated with the systems house U-Tech would adopt following the withdrawal of U-Tech from the project, the Secretariat representative explained that UNDP would assist the enterprises directly in finding a low-GWP alternative. If that were not possible, however, the incremental operating costs for those enterprises would be returned to the Fund. He added that a final report dealing with all enterprises assisted in the foam sector would be submitted at the 96th meeting. Regarding the reason that many companies had not signed the agreement to avoid the adoption of HFC technology, he explained that the availability of the blend HFC-365mfc/HFC-227ea at competitive prices created reluctance in enterprises. The end of production of the substance, however, as indicated in the report of UNDP, would prompt more companies to sign agreements with UNDP. The representative of UNDP confirmed the information provided by the Secretariat

and added that UNDP was seeking additional alternatives to the use of HFC-134a for U-Tech downstream users.

159. The Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the fifth tranche of stage II of the HCFC phaseout management plan (HPMP) for Brazil;
 - (ii) That the systems house U-Tech had withdrawn from stage II of the HPMP and UNDP would continue assisting the downstream users associated with U-Tech with the adoption of a low-global-warming-potential (low-GWP) technology in the froth application, on the understanding that any incremental operational costs related to the conversions, where applicable, would not be paid until the technology originally selected or another low-GWP technology had been fully introduced;
 - (iii) That UNIDO would reallocate US \$60,000 from the commercial refrigeration project to the project monitoring unit;
 - (iv) That 0.69 ODP tonnes would be deducted from the remaining eligible consumption of HCFC-22 associated with the increase in the project monitoring unit costs referred to in subparagraph (a)(iii);
 - (v) That the Fund Secretariat had updated the Agreement between the Government of Brazil and the Executive Committee, as contained in annex XXVII to the present report, specifically Appendix 2-A, to reflect the reduction of the remaining eligible consumption referred to in subparagraph (a)(iv) above, and paragraph 16, to indicate that the revised updated Agreement superseded that reached at the 91st meeting;
- (b) To request the Government of Brazil, UNDP, UNIDO and the Government of Germany to submit:
 - (i) A progress report on the implementation of the work programmes associated with the final tranche to the 96th meeting, and project completion reports to the second meeting of the Executive Committee in 2026;
 - (ii) As part of the progress report referred to in subparagraph (b)(i), the complete list of downstream foam enterprises assisted by the Multilateral Fund under stage II of the HPMP, including the HCFC-141b consumption phased out, the subsector and the technology adopted; and
- (c) To approve the sixth and final tranche of stage II of the HPMP for Brazil, and the corresponding 2024–2025 tranche implementation plan, in the amount of US \$872,727, plus agency support costs of US \$97,129, for the Government of Germany, on the understanding that UNDP, as the lead agency for stage II of the HPMP, had committed to submitting, by June 2024, an updated verification report that included 2023 consumption data.

(Decision 94/33)

China: HCFC phase-out management plan (room air-conditioning manufacturing and heat pump water heater sector) (stage II – fourth tranche) (UNIDO, the Government of Austria and the Government of Italy)

160. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/29.

161. In the ensuing discussion, two members expressed support for the project proposal.

162. Responding to questions from two other members, the representative of the Secretariat said that the cumulative disbursement for the project implementation and monitoring unit under the first three tranches had exceeded the agreed allocation for those tranches, not the agreed overall allocation, and would be reimbursed from the allocation for the project implementation and monitoring unit for future tranches. The exceedance could be attributable to the adjustments necessitated by the change to the funding for the sector plan agreed at the 84th meeting. The study tour mentioned in table 5 of the document would be to South-East Asia rather than to Japan and would aim to facilitate the uptake of R-290 room air-conditioning technology among countries in the region, which were significant importers of such equipment manufactured in China. While the list of recommended alternative technologies referred to in paragraph 10 of the document had no legal force, it was believed to influence government procurement. Regarding the revision to the incremental operating cost (IOC) incentive scheme, the Secretariat confirmed that the temporary use of that scheme prior to the 94th meeting was in line with the flexibility provided for in the Agreement between the Government of China and the Executive Committee. To date, IOCs amounting to US \$13,992,300 had been allocated to beneficiary enterprises, with the other remaining balances being allocated to capital costs, subject to the national acceptance of the conversion of the room air-conditioning manufacturing lines and to ongoing contracts associated with research and development activities.

163. One member noted the limited manufacturing of R-290 split air-conditioning units that was taking place in the country, notwithstanding the fact that substantial manufacturing capacity had already been converted to R-290. In response, the Secretariat highlighted that the Government of China had met all the conditions for approval of the tranche request; there were several encouraging signs of market uptake of R-290 room air-conditioning technology and that expected disbursements, including those based on sales of split R-290-based equipment, were likely to deplete remaining balances considerably. Total room air-conditioning manufacturing capacity in China was estimated at 160 million units per year, roughly half of which were destined for the domestic market. Units sold on the domestic market almost exclusively used HFC-32.

164. Providing further clarification, the representative of UNIDO said that the list of recommended alternative technologies, together with the proposed revisions to safety standard QB/T4975-2016 and to the IOC incentive scheme, were reflective of the Government's efforts to increase the uptake of R-290-based technology. Accurate data on the market share of R-290 split air-conditioning units could be provided bilaterally.

165. One member, noting the positive signs of market uptake of R-290 equipment, said that the key issue with respect to the project was that lines converted to R-290 remained largely idle and that the demand associated with that capacity was being met through lines that used HFCs. It would be helpful to receive, by the 96th meeting of the Executive Committee, at the latest, a report from the implementing agency indicating the extent to which the interesting suggestions put forward by the Secretariat in paragraph 32 of the document had been considered by the Government of China and whether any of them had been adopted. It would also be useful to hear an explanation of how the proposed revision to the IOC incentive scheme was expected to increase the market penetration of R-290 split air-conditioning units and of whether the demand associated with idle R-290 manufacturing lines was being met mainly through HFC-32 or R-410A units.

166. Following additional discussions among interested members in the margins of the meeting, the Executive Committee decided:

- (a) To note the progress report on the implementation of the third tranche of the room air-conditioning manufacturing and heat pump water heater sector plan (RAC sector plan) of stage II of the HCFC phase-out management plan (HPMP) for China;
- (b) To note:
 - (i) The agreed revision to the incremental operating cost incentive scheme for the RAC sector plan, as reflected in document UNEP/OzL.Pro/ExCom/94/29;
 - (ii) That UNIDO would return, to the 94th meeting, US \$2,053,955, which had been calculated on an exceptional basis using the exchange rate on 13 May 2024, representing the remaining balances from stage I of the RAC sector plan, plus agency support costs of US \$148,765 for UNIDO;
- (c) To request the Secretariat, in consultation with UNIDO, to present to the 97th meeting a document describing an approach to estimate the tonnage of possible HFCs phased in by Multilateral Fund-assisted enterprises to meet the demand associated with the HCFC-based manufacturing capacity converted to R-290 under the HPMP RAC sector plan;
- (d) To approve the fourth tranche of the RAC sector plan of stage II of the HPMP for China, and the corresponding 2024–2025 tranche implementation plan, in the amount of US \$7,524,667, consisting of US \$6,300,000, plus agency support costs of US \$441,000, for UNIDO and US \$700,000, plus agency support costs of US \$83,667, for the Government of Austria, on the understanding:
 - (i) That UNIDO and the Government of Austria would not transfer any of those approved funds to the Foreign Environmental Cooperation Centre of the Government of China until the Executive Committee had considered the report, to be submitted by UNDP, referred to in decision 94/11(b)(ii);
 - (ii) That any unused incremental operating costs from stage II of the HPMP RAC sector plan would be returned to the Multilateral Fund taking into account sales of split R-290 air-conditioning units that had taken place before 31 December 2026; and
 - (iii) That UNIDO would submit, to the 97th meeting, an update on consideration by the Government of China of the suggestions to facilitate the manufacturing of R-290 split air-conditioning units described in paragraph 32 of document UNEP/OzL.Pro/ExCom/94/29.

(Decision 94/34)

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

167. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/33.

168. One member expressed concern that there had been no manufacturing of HFC-32-based residential air-conditioning units at the enterprises converted under the HPMP and noted the absence of regulatory measures that might help ensure the sustained uptake of that technology in the market. She asked whether

manufacturers planned to manufacture residential air-conditioning units with R-454B, given that the necessary components were expected to be available, and she said that would appreciate more information about how the seven other residential air-conditioner manufacturing enterprises using R-410A in the country would be considered in stage I of the KIP for the country.

169. Another member said that her delegation would also be interested to know what regulations were expected to be introduced to help ensure the sustained uptake of HFC-32-based technology in the residential air-conditioner manufacturing sector. In addition, it would be useful for UNIDO to submit an addendum to the report submitted to the present meeting providing information on the results of the testing of hybrid indirect evaporative cooling/direct expansion commercial air-conditioning units based on HFC-32, together with information on policy measures to facilitate the uptake of that technology. Two members commended the Secretariat and the implementing agencies for their innovative approach, whereby they had deferred funding for the two residential air-conditioning manufacturing enterprises that had not yet signed contracts for incremental operating costs so that the request could be submitted with the stage I of the KIP.

170. Following additional discussions among interested members in the margins of the meeting, the representative of the Secretariat reported that members had reached agreement. Regarding stage I of the KIP for the country, which would be submitted to the 95th or 96th meeting, the Government of Egypt would address the remaining enterprises manufacturing R-410A-based residential air-conditioning equipment. UNIDO would include the results of the additional testing of HFC-32-based hybrid indirect evaporative cooling/direct expansion commercial air-conditioning units in an addendum to the report submitted to the present meeting when it submitted the latest tranche of the HPMP. Lastly, members had agreed to approve the fourth tranche on the understanding that the Government of Egypt would inform the Ozone Secretariat that it would not avail itself of the high-ambient temperature exemption prior to the submission of stage I of the KIP.

171. The Executive Committee decided:

- (a) To note the progress report on the implementation of the third tranche of stage II of the HCFC phase-out management plan (HPMP) for Egypt;
- (b) To approve the extension, to 31 October 2024, of the completion date of stage II of the HPMP for Egypt (second tranche) (EGY/PHA/84/INV/142) to allow completion of the remaining ongoing activities;
- (c) Of the fourth tranche of stage II of the HPMP for Egypt, to approve US \$2,662,825, consisting of US \$2,300,298, plus agency support costs of US \$161,021, for UNIDO and US \$180,000, plus agency support costs of US \$21,506, for UNEP, and the corresponding 2024–2026 tranche implementation plan, on the understanding:
 - (i) That UNIDO, on behalf of the Government, would submit the request for the remaining funding under the fourth tranche of US \$1,739,115, plus agency support costs of US \$121,738, for UNIDO at the same meeting at which stage I of the country's Kigali HFC implementation plan was submitted or to the 96th meeting of the Executive Committee, whichever came first; and
 - (ii) That the country would inform the Ozone Secretariat that it would not avail itself of the high-ambient temperature exemption prior to the submission of stage I of the Kigali HFC implementation plan for the country.

(Decision 94/35)

Iran (Islamic Republic of): HCFC phase-out management plan (stage II – fifth tranche) (UNDP, UNEP, UNIDO and the Government of Italy)

172. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/39.

173. One member asked whether the ban on the importation and use of HCFC-141b, which had been scheduled for 1 July 2024, would be further delayed. He also requested clarification of the timeline for the ban on the use of HCFC-22 in the manufacture of refrigeration and air-conditioning equipment. In response, the representative of the Secretariat said that UNDP had confirmed that the ban related to HCFC-141b would take effect on 1 July 2024. The ban on the use of HCFC-22 in the manufacture of refrigeration and air-conditioning equipment had been postponed to 1 January 2026 in order to allow time for the sector to transition to low-GWP alternatives and because there had been delays in the implementation of the HPMP owing to challenges related to equipment imports, the identification of suppliers and logistical problems.

174. The Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the fourth tranche of stage II of the HCFC phase-out management plan (HPMP) for the Islamic Republic of Iran;
 - (ii) That US \$521,638, plus agency support costs of US \$36,515 for UNIDO, associated with its last funding tranche, would not be requested;
 - (iii) The return of US \$50,600, plus agency support costs of US \$3,542, from UNIDO to the Multilateral Fund, owing to the withdrawal of two spray-foam enterprises (Tejarat Aftab and Akia Duetch) from the HPMP;
 - (iv) That the Fund Secretariat had updated the Agreement between the Government of the Islamic Republic of Iran and the Executive Committee, as contained in annex XXVIII to the present report, specifically Appendix 2-A, to reflect the removal of the last funding tranche for UNIDO, as referred to in subparagraph (a)(ii) above, and paragraph 17, which had been modified to indicate that the revised updated Agreement superseded that reached at the 92nd meeting;
- (b) To request UNDP, UNEP, UNIDO and the Government of Italy to submit:
 - (i) A progress report on the implementation of their work programme associated with the final tranche to the 97th meeting and project completion report to the second meeting of the Executive Committee in 2026;
 - (ii) As part of the progress report referred to in subparagraph (b)(i), detailed reports on the status of conversion of each of the foam projects under stage II, including their financial viability, the current level of HCFC-141b consumption, the alternative technologies selected, the total funding provided by the Multilateral Fund and the level of co-financing, as applicable, in line with decisions 84/74(c) and 90/45(b); and
- (c) To approve the fifth and final tranche of stage II of the HPMP for the Islamic Republic of Iran, and the corresponding 2024–2025 tranche implementation plan, in the amount of US \$518,910, consisting of US \$337,860, plus agency support costs of US \$23,650, for UNDP and US \$140,000, plus agency support costs of US \$17,400, for UNEP.

(Decision 94/36)

Nigeria: HCFC phase-out management plan (stage III, second tranche) (UNDP and UNIDO)

175. The Chair recalled that the tranche request for Nigeria had been withdrawn from the list of projects recommended for blanket approval and that the relevant information was contained in document UNEP/OzL.Pro/ExCom/94/47.

176. One member said that he wished to know whether stages II and III of the HPMP were being implemented in parallel and, if so, what the timeline for implementation was. In response, the representative of the Secretariat said that stage II had been extended to 2025 and the third tranche of that stage had been approved at the 93rd meeting. Stage III covered only the manufacturing sector. Stages II and III were being implemented in parallel and would both end in 2025.

177. The Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the first tranche of stage III of the HCFC phase-out management plan (HPMP) for Nigeria;
 - (ii) That the Fund Secretariat had updated the Agreement between the Government of Nigeria and the Executive Committee, as contained in annex XXIX to the present report, specifically Appendix 2-A, to reflect the additional reduction of 1.28 ODP tonnes of HCFC-22 associated with the reallocation of US \$112,000 to additional activities in the servicing sector and the 0.36 ODP tonnes of HCFC-22 deducted from the remaining HCFC consumption eligible for funding in line with decision 93/36, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 91st meeting;
- (b) To request the Government of Nigeria, UNDP and UNIDO to include, in future progress reports for stage II of the HPMP, the status of progress in the implementation of stage III of the HPMP, and to submit a project completion report for stage III of the HPMP to the first meeting of the Executive Committee in 2027; and
- (c) To approve the second and final tranche of stage III of the HPMP for Nigeria, and the corresponding 2024–2026 tranche implementation plan, in the amount of US \$1,199,847, plus agency support costs of US \$83,989, for UNIDO.

(Decision 94/37)

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

178. The Chair recalled that the request for the second tranche of stage II of the HPMP for Sri Lanka had been withdrawn from the list of projects recommended for blanket approval and that the relevant information was contained in paragraphs 1 to 36 of document UNEP/OzL.Pro/ExCom/94/54.

179. The tranche request was considered together with the pilot energy-efficiency project, as proposed by one member, and the discussion related to the pilot project is set out in paragraphs 254 to 258 of the present report.

180. The Executive Committee decided:

(a) To note:

- (i) The progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan (HPMP) for Sri Lanka;
- (ii) The submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$120,000, plus agency support costs of US \$8,400, for UNDP;
- (iii) That the Fund Secretariat had updated the Agreement between the Government of Sri Lanka and the Executive Committee, as contained in annex XXX to the present report, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to in subparagraph (a)(ii) above and the shift of the original second tranche funding from 2023 to 2024, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 86th meeting; and

- (b) To approve the second tranche of stage II of the HPMP for Sri Lanka, and the corresponding 2024-2026 tranche implementation plan, in the amount of US \$539,078, consisting of US \$413,200, plus agency support costs of US \$28,924, for UNDP and US \$85,800, plus agency support costs of US \$11,154, for UNEP.

(Decision 94/38)

C. Stage I of Kigali HFC implementation plans

Armenia: Kigali HFC implementation plan (stage I – first tranche) (UNIDO and UNEP)

181. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/21.

182. Two members, noting the information contained in the document on the revision of the HFC consumption data, said that the amount of funding should be determined on the basis of the officially reported data at the time of the approval of the project. They were therefore in favour of revising the funding amount on the basis of the data as currently reported, rather than presupposing that the revision of the data would be approved by the Implementation Committee and the Meeting of the Parties. While suggesting that the funding and target in annex I of the document be revised on the basis on currently reported data, and the total funding revised in the second tranche on the basis of outcomes of the Meeting of the Parties, one of those members suggested that the funding schedule should allow near-term work to commence so that the country could achieve compliance.

183. In addition, he asked whether a revision of the baseline data would mean that Armenia would intend to increase its quota in the future and whether any other members of the Eurasian Economic Union (EAEU) had had similar issues with the reporting of data. The representative of the Secretariat said that, if the revised baseline were to be approved, the quota would likely increase, given the high consumption level in 2023. Kyrgyzstan, which was the only other member of EAEU that was seeking funding from the Multilateral Fund, had already established a regulation for the inclusion of imports from EAEU countries in customs records and a mechanism to monitor the inclusion of imports from other EAEU members in customs records. Armenia had established a regulation, but it was still in the process of establishing such a monitoring mechanism.

184. The other of those two members noted, with appreciation, the ban on the importation of equipment containing HFCs with a GWP above a certain limit, and he encouraged other countries to draw lessons from that good practice.

185. The two members expressed their support for approval of the project, pointing out that the lack of feasible alternatives to HFCs required some flexibility on the part of the Committee. There was a need to build capacity in the refrigeration and air-conditioning sector.

186. The Executive Committee agreed to continue discussion of the project in an informal group in the margins of the meeting, with a view to drafting a revised recommendation for approval at the current meeting.

187. Subsequently, the representative of the Secretariat introduced a draft decision, set out in a conference room paper, which had been prepared by the informal group.

188. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Armenia for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$203,400, consisting of US \$114,000, plus agency support costs of US \$14,820, for UNIDO and US \$66,000, plus agency support costs of US \$8,580, for UNEP, as reflected in the schedule contained in annex XXXI to the present report;
- (b) To note that, if the revision of the HFC consumption data for 2020 to 2022 were approved by the Thirty-Sixth Meeting of the Parties, the funding approved in principle, as well as the tranche funding levels and the targets reflected in the annex referred to in subparagraph (a) above, would be revised accordingly at the 95th meeting;
- (c) To note that the Government of Armenia would implement the following regulatory measures:
 - (i) A ban on the import of domestic refrigerators and freezers containing HFCs with a global-warming potential (GWP) of 150 or higher, by 1 January 2027;
 - (ii) A ban on the import of commercial refrigeration equipment containing HFCs with a GWP of 2,500 or higher, by 1 January 2027;
 - (iii) A ban on the import of moveable room air-conditioning units containing HFCs with a GWP of 800 or higher and on split air conditioners containing less than 3 kg of fluorinated gases with a GWP of 800 or higher, by 1 January 2027;
 - (iv) A ban on domestic trade in HFCs in non-refillable containers, by 1 January 2028;
 - (v) A ban on the import of stationary refrigeration equipment containing or relying on HFCs with a GWP of 2,500 or higher, by 1 January 2029;
- (d) To approve the first tranche of stage I of the KIP for Armenia, and the corresponding tranche implementation plan, in the amount of US \$186,535, consisting of US \$99,075 plus agency support costs of US \$12,880, for UNIDO and US \$66,000, plus agency support costs of US \$8,580, for UNEP; and
- (e) To request the Government of Armenia, UNIDO, UNEP and the Secretariat to finalize the draft Agreement between the Government of Armenia and the Executive Committee for the

reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/39)

Burkina Faso: Kigali HFC implementation plan (stage I – first tranche) (Government of Germany)

189. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/26.

190. One member, while noting that the matter of the extraordinarily high costs in the initial submission, hoped and expected that agencies would follow the cost guidelines in the future.

191. Several members were of the view that the target in the KIP was not sufficiently ambitious. One said that the HCFC component of the baseline was quite large and that the target set for 2029 would constitute growth of 70 per cent compared with the average HFC consumption during the baseline years. He requested clarification of the decision not to modify the HCFC baseline.

192. While one member questioned the recommendation to allow Burkina Faso to submit a project for the commercial refrigeration sector to achieve additional HFC reductions, noting that such an exception had previously been made only for countries in danger of non-compliance because their baseline had been substantially affected by the COVID-19 pandemic, another member said that he was not opposed to the submission of such a project if it achieved additional HFC reductions.

193. Some members wished to understand better the rationale for the establishment of a centre focused mostly on the refilling of hydrocarbons as opposed to the recycling of controlled substances and how it would help to reduce consumption in the country.

194. The representative of the Secretariat said that, while she was not aware of the reasons why the HCFC baseline had not been changed previously, she considered it to be a positive sign that, during the preparation of the current project proposal, the country had considered the revised HCFC starting point as a basis for planning the reductions. Although Burkina Faso had not sent a letter to the Ozone Secretariat requesting special consideration in the light of the effects of the COVID-19 pandemic, the expected future growth in consumption was indeed partly a result of those effects. While she was not aware of a precedent for funding the establishment of a refrigerant distribution centre for hydrocarbon refrigerants for commercial refrigeration, the justification for the activity was that hydrocarbons were currently imported to Burkina Faso in cans, which were very expensive. The project would establish commercial distribution in containers with larger capacities, thereby creating a propitious environment for the adoption of zero-GWP technology. Microenterprises made up a large proportion of commercial refrigeration enterprises in the country, so training for and certification of those microenterprises had been prioritized in the proposal. A refrigerant recovery and recycling project would be implemented as part of stage II of the HPMP. Thus, once experience had been gained and the country's needs with respect to the matter had been assessed, a project on the reclaiming of refrigerants could be submitted in stage II of the KIP. The potential for the further reduction of consumption would depend on the country's expectations for all the units currently using HCFCs and how they could be converted to use HFCs or hydrocarbons.

195. One member said that he was in favour of approving the project, given the lack of availability of alternatives to HFCs in Africa. By helping Burkina Faso to make progress in that regard, the Multilateral Fund would also be assisting the region as a whole.

196. The Executive Committee agreed to continue discussion of the project in an informal group in the margins of the meeting.

197. Subsequently, the representative of the Secretariat introduced a draft decision, set out in a conference room paper, that had been prepared by the informal group.

198. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Burkina Faso for the period 2024-2029 to reduce HFC consumption by 30 per cent of the country's baseline by 2029, in the amount of US \$325,000, plus agency support costs of US \$42,250 for the Government of Germany, as reflected in the schedule contained in annex XXXII to the present report;
- (b) To note:
 - (i) That the Government of Burkina Faso would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee;
 - (ii) That, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines;
 - (iii) That the reductions from the country's remaining HFC consumption eligible for funding referred to in subparagraph (b)(ii) above would be deducted from the starting point referred to in subparagraph (b)(i) above;
 - (iv) That, during the implementation of stage I of the KIP, the Government of Burkina Faso would be allowed, on an exceptional basis, to submit a project for the commercial refrigeration sector to achieve additional HFC reductions;
- (c) To request the Government of Germany, on behalf of the Government of Burkina Faso, to submit, for consideration at the 95th meeting, a detailed plan for the establishment of the refrigerant distribution centre, including a potential business model for ensuring the viability of the centre;
- (d) To approve the first tranche of stage I of the KIP for Burkina Faso, and the corresponding tranche implementation plan, in the amount of US \$162,500, plus agency support costs of US \$21,125, for the Government of Germany, on the understanding that no disbursement would be made towards the establishment of the refrigerant distribution centre until the Executive Committee considered, on an extraordinary basis, the plan referred to in subparagraph (c) above; and
- (e) To request the Government of Burkina Faso, the Government of Germany and the Secretariat to finalize the draft Agreement between the Government of Burkina Faso and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/40)

El Salvador: Kigali HFC implementation plan (stage I – first tranche) (UNDP)

199. The present KIP was considered together with the pilot energy efficiency project, as proposed in table 4 of document UNEP/OzL.Pro/ExCom/94/17. The decision relating to the pilot project is set out in paragraph 253 of the present report.

200. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/34.

201. One member said that the recommendation to approve stage I of the KIP based on the current established baseline was the correct approach to the present proposal, as the baseline could be adjusted at a later stage. He asked how HFC-23 was used in the country, given the substance's high GWP. In response, the representative of the Secretariat said that HFC-23 was used for refrigeration in the testing of electronic components, which required very low temperatures.

202. In response to another member's question, the representative of UNDP confirmed that UNDP coordinated with other cooling facilities involved in energy efficiency projects in the country.

203. The Executive Committee decided:

(a) To approve:

(i) In principle, stage I of the Kigali HFC implementation plan (KIP) for El Salvador for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$360,000, plus agency support costs of US \$46,800 for UNDP, as reflected in the schedule contained in annex XXXIII to the present report, on the understanding that the schedule, in particular rows 1.1 and 1.2, would be revised accordingly on the basis of the approval by the Thirty-Sixth Meeting of the Parties of the revision of the consumption data in the baseline years;

(ii) The first tranche of stage I of the KIP for El Salvador, and the corresponding tranche implementation plan, in the amount of US \$180,000, plus agency support costs of US \$23,400 for UNDP; and

(b) To request the Government of El Salvador, UNDP and the Secretariat to finalize the draft Agreement between the Government of El Salvador and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/41)

Eswatini: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNDP)

204. The Executive Committee considered the information contained in paragraphs 26 to 66 of document UNEP/OzL.Pro/ExCom/94/35.

205. The Executive Committee decided:

(a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Eswatini for the period 2024–2030 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$163,850, consisting of US \$115,000, plus agency support costs of US \$14,950, for UNEP and US \$30,000, plus agency support costs of

US \$3,900, for UNDP, as reflected in the schedule contained in annex XXXIV to the present report;

- (b) To note that, upon completion of the end-user technology demonstration project included in stage I of the KIP, UNDP would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (c) To approve the first tranche of stage I of the KIP for Eswatini, and the corresponding tranche implementation plan, in the amount of US \$63,500, plus agency support costs of US \$8,255, for UNEP; and
- (d) To request the Government of Eswatini, UNEP, UNDP and the Secretariat to finalize the draft Agreement between the Government of Eswatini and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/42)

Gambia: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

206. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/37.

207. One member noted that paragraphs 40 and 41 of the document indicated that the Gambia had applied for the high-ambient temperature (HAT) exemption but did not intend to use it. The member asked for clarification of whether the Gambia had formally withdrawn its request for the exemption. The representative of UNEP said that UNEP would continue to work with the Government of the Gambia to submit an official letter to the Ozone Secretariat to that end. Acknowledging the clarification received, the member requested that new language be added to the decision for greater certainty; he proposed new text stating that the funding would be disbursed only once the Government of Gambia had officially notified the Ozone Secretariat of the withdrawal of its request for the HAT exemption.

208. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for the Gambia for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$192,100, consisting of US \$92,400, plus agency support costs of US \$12,012, for UNEP and US \$77,600, plus agency support costs of US \$10,088, for UNIDO, as reflected in the schedule contained in annex XXXV to the present report, on the understanding that the Government of the Gambia would notify the Ozone Secretariat that it was withdrawing its request for the high-ambient temperature (HAT) exemption;
- (b) To note:
 - (i) The commitment of the Government of the Gambia to implement a ban on the import of domestic refrigeration and commercial stand-alone refrigeration units using HFCs by 1 January 2025 and to revise relevant regulations to include a ban on the use of HFCs in fire suppression, foam, aerosol, and solvent sectors in the country by January 2026;

- (ii) That, upon completion of the end-user technology demonstration project in commercial refrigeration included in stage I of the KIP, UNIDO would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (c) To note also:
 - (i) That the Government of the Gambia would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government of the Gambia and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP;
- (d) To approve the first tranche of stage I of the KIP for the Gambia, and the corresponding tranche implementation plan, in the amount of US \$90,570, consisting of US \$50,150, plus agency support costs of US \$6,520, for UNEP and US \$30,000, plus agency support costs of US \$3,900, for UNIDO, on the understanding that UNEP and UNIDO would not disburse the approved funds until the Government of the Gambia had notified the Ozone Secretariat that it was withdrawing its request for the HAT exemption; and
- (e) To request the Government of the Gambia, UNEP, UNIDO and the Secretariat to finalize the draft Agreement between the Government of the Gambia and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/43)

Honduras: Kigali HFC implementation plan (stage I – first tranche) (UNIDO and UNEP)

209. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/38. The Chair informed the Committee of a modification in the recommendation concerning the agency support costs for UNIDO.

210. One member expressed concern over the rise in HFC consumption levels in the country and the extent to which the project would ensure reduced consumption. He noted that more than half of the proposed budget was allocated for simulator equipment for training institutions, while there seemed to be no allocation for equipment aimed at reducing consumption in the mobile air-conditioning sector, which accounted for almost a third of overall consumption. He also suggested that a ban on imports of HFCs for the domestic refrigeration sector be integrated into stage I implementation. The representative of UNIDO explained that the Government of Honduras planned to meet its reduction targets by focusing on, inter alia, strengthening licensing and quota systems, enhancing refrigeration and leak management, and strengthening the certification of technicians. With regard to the mobile air-conditioning sector, the representative of UNIDO said that Honduras, at the present stage, was developing labour competency standards for certifying technicians rather than purchasing equipment. The member affirmed that the selection of activities for project proposals were ultimately the decision of the country in question and emphasized the importance of optimizing proposals to achieve reduction targets, particularly in high-volume-consuming sectors.

211. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Honduras for the period 2024–2029 to reduce HFC consumption by 15.5 per cent of the country’s baseline by 2029, in the amount of US \$648,915, consisting of US \$432,210, plus agency support costs of US \$30,255, for UNIDO and US \$165,000, plus agency support costs of US \$21,450, for UNEP, as reflected in the schedule contained in annex XXXVI to the present report;
- (b) To note:
 - (i) That the Government of Honduras would establish its starting point for sustained aggregate reductions in HFC consumption on the basis of guidance provided by the Executive Committee;
 - (ii) That, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country’s remaining HFC consumption eligible for funding would be determined in line with those guidelines;
 - (iii) That the reductions from the country’s remaining HFC consumption eligible for funding referred to in subparagraph (b)(ii) above would be deducted from the starting point referred to in subparagraph (b)(i);
- (c) To note also:
 - (i) The strong commitment of the Government of Honduras to support reductions in HFC consumption in advance of the Montreal Protocol targets;
 - (ii) The commitment from the Government of Honduras to issue a ban on the imports of used HFC-based domestic refrigerators from 1 January 2029;
 - (iii) That the Government of Honduras had made a request to the Ozone Secretariat for correction of its Article 7 data for the years 2021 and 2022, and that, once those changes had been approved by the Meeting of the Parties, the Secretariat and UNIDO would adjust the HFC consumption baseline and maximum allowable consumption, as relevant, in the KIP Agreement between the Government of Honduras and the Executive Committee;
- (d) To approve the first tranche of stage I of the KIP for Honduras, and the corresponding tranche implementation plan, in the amount of US \$321,903, consisting of US \$226,918, plus agency support costs of US \$15,885, for UNIDO and US \$70,000, plus agency support costs of US \$9,100, for UNEP; and
- (e) To request the Government of Honduras, UNIDO, UNEP and the Secretariat to finalize the draft Agreement between the Government of Honduras and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/44)

Lao People's Democratic Republic: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNDP)

212. The Executive Committee considered the information contained in paragraphs 31 to 82 of document UNEP/OzL.Pro/ExCom/94/40.

213. One member noted the increasing levels of HFC consumption and considered it helpful if consumption could be monitored, and she suggested that the language on monitoring consumption be added to the recommendation. She proposed text that had been applied to some projects in similar situations at the 93rd meeting.

214. Another member sought to clarify why no training activities had been planned for the local installation and assembly sector, which accounted for 21 per cent of overall HFC consumption in the country. The reason given in the proposal was that the enterprises working in the sector were primarily technicians contracted from overseas to install the large systems, while local technicians were involved only in subsequent maintenance. The member requested clarification of the rationale behind this. The representative of the Secretariat explained that the technicians of the international contractors were usually trained by their parent companies and were deemed highly skilled. Given the availability of funding, the Government of the Lao People's Democratic Republic had decided not to allocate further funding for the training of those technicians.

215. The same member noted that the Lao People's Democratic Republic had a system of environmental impact assessments through which it was able to select the GWP value of the refrigerants for refrigeration and air-conditioning systems used in projects. That method could perhaps be used to limit consumption in the local installation and assembly sector as well. The member further enquired whether the environmental impact assessment procedure had been designed specifically for addressing the assembly sector. The Secretariat responded that the environmental impact assessment was a general procedure for addressing all environmental issues and covered all types of refrigeration and air-conditioning equipment, including the environmental impact in the assembly sector.

216. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for the Lao People's Democratic Republic for the period 2024–2030 to reduce HFC consumption by at least 10 per cent of the country's baseline by 2029, in the amount of US \$214,700, consisting of US \$114,000, plus agency support costs of US \$14,820, for UNEP and US \$76,000, plus agency support costs of US \$9,880, for UNDP, as reflected in the schedule contained in annex XXXVII to the present report;
- (b) To note:
 - (i) That the Government of the Lao People's Democratic Republic would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be and would provide that analysis in submitting the second tranche of its KIP;
 - (ii) That, on the basis of the information provided in subparagraph (b)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government of the Lao People's Democratic Republic and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP;

- (c) To approve the first tranche of stage I of the KIP for the Lao People's Democratic Republic, and the corresponding tranche implementation plan, in the amount of US \$124,300, consisting of US \$34,000, plus agency support costs of US \$4,420, for UNEP and US \$76,000, plus agency support costs of US \$9,880, for UNDP; and
- (d) To request the Government of the Lao People's Democratic Republic, UNEP, UNDP and the Secretariat to finalize the draft Agreement between the Government of the Lao People's Democratic Republic and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/45)

Liberia: Kigali HFC implementation plan (stage I – first tranche) (Government of Germany)

217. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/42.

218. Two members said that funding should be based on data available at the time of the project's approval and that the additional US \$20,000 requested for technical assistance in the firefighting sector should therefore be conditional on the approval by the Implementation Committee of the revision of the consumption data in the baseline years. One member wished to know what the percentage reduction in the maximum allowable consumption limits would be compared with the current baseline and what the revised limits would be in terms of carbon dioxide-equivalent tonnes. He asked whether the maximum allowable consumption limits would change if the Implementation Committee approved the revision of the consumption data. Another member, expressing support for the Secretariat's recommendation, noted that the incentive scheme for R-290-based air conditioners would build the capacity needed to ensure the project's success.

219. In response to the member's questions, the representative of the Secretariat said that the current baseline consumption, excluding the firefighting and foam sectors, was 180,909 carbon dioxide-equivalent tonnes, which would increase to 197,185 carbon dioxide-equivalent tonnes if the revised baseline was approved. The Government of Liberia had initially conducted a study on the consumption needs for the coming year and had decided to reduce HFCs gradually as new technologies were adopted. According to the Government, the HFC consumption reduction targets were the most ambitious that could be achieved with the cooperation of the private sector. The target for 2028 had been revised from 122,817 to 126,616 carbon dioxide-equivalent tonnes and the target for 2029 had been increased from 117,904 to 122,817 carbon dioxide-equivalent tonnes.

220. The Executive Committee agreed to continue discussion of the project in an informal group in the margins of the meeting, with a view to drafting a revised recommendation for approval at the current meeting.

221. Subsequently, the representative of the Secretariat introduced a draft decision, set out in a conference room paper, which had been prepared by the informal group. She also reported that one member had recalled the importance of timely decision-making and had agreed to accept the last-minute change on an exceptional basis. The member had also requested strict adherence to the deadline for proposing changes to agreements in the future.

222. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Liberia for the period 2024–2029 to reduce HFC consumption by 32 per cent of the country's

baseline by 2029, in the amount of US \$145,000, plus agency support costs of US \$18,850, for the Government of Germany, as reflected in the schedule contained in annex XXXVIII to the meeting report;

- (b) To note:
 - (i) The commitment of the Government of Liberia to reduce HFC consumption from the country's baseline by 28 per cent by 1 January 2025, 30 per cent by 1 January 2027 and 32 per cent by 1 January 2029;
 - (ii) That, if the revision of the HFC consumption data for 2020 to 2022 were approved by the Thirty-Sixth Meeting of the Parties, the Executive Committee would consider, at its 95th meeting, approval of the additional US \$20,000 requested for technical assistance in the firefighting sector and associated support costs and revision of the funding approved in principle, as well as the tranche funding levels and Montreal Protocol targets reflected in annex referred to subparagraph (a) above;
- (c) To note also that upon, completion of the incentive scheme for R-290-based air conditioners included in stage I of the KIP, the Government of Germany would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (d) To approve the first tranche of stage I of the KIP for Liberia, and the corresponding tranche implementation plan, in the amount of US \$72,500, plus agency support costs of US \$9,425, for the Government of Germany; and
- (e) To request the Government of Liberia, the Government of Germany and the Secretariat to finalize the draft Agreement between the Government of Liberia and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/46)

Montenegro: Kigali HFC implementation plan (stage I – first tranche) (UNIDO)

223. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/45.

224. One member asked whether there were any updates, since the issuance of the document, concerning the ongoing revisions to the Law on Protection from the Negative Impacts of Climate and the possibility of the Government of Montenegro banning HFC-134a-based domestic refrigerators and HFC-based stand-alone commercial refrigeration equipment. The representative of UNIDO said there were no updates at the present time.

225. Another member noted with appreciation that Montenegro was reducing its HFC consumption by 10 per cent of the country's average HFC consumption in the baseline years and said that her delegation therefore supported the provision of the additional 20 per cent funding to the country, in line with decision 92/37.

226. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Montenegro for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country's average HFC consumption in the baseline years (i.e. 19.43 per cent of the

country's baseline) by 2029, in the amount of US \$189,600, plus agency support costs of US \$24,648, for UNIDO, as reflected in the schedule contained in annex XXXIX to the present report;

- (b) To note the strong commitment of the Government of Montenegro to support reductions in HFC consumption in advance of the Montreal Protocol targets;
- (c) To approve the first tranche of stage I of the KIP for Montenegro, and the corresponding tranche implementation plan, in the amount of US \$115,050, plus agency support costs of US \$14,956, for UNIDO; and
- (d) To request the Government of Montenegro, UNIDO and the Secretariat to finalize the draft Agreement between the Government of Montenegro and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/47)

Mozambique: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNDP)

227. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/46.

228. One member requested confirmation of whether the ODS regulations that had been revised to include a licensing and quota system for HFCs had become operational by May 2024. Noting that HFC consumption in 2023 had almost doubled, she expressed hope that the system would be successful in enabling the country to control consumption as of 2024 and remain in compliance with its obligations. The representative of the Secretariat confirmed that, at the time the document was issued, the situation was still as described in the document, as had been corroborated by UNEP. She added that the HFC import quota system was based on the currently operating HCFC quota system and importers were the same. The representative of UNEP confirmed that, as per the latest information that he had, the revised regulations incorporating the licensing and quota system would enter into force by the end of May 2024. Prior to that happening, licensing and quotas for HFCs were being regulated through the existing regulation on HCFCs. Subsequently, the representative of UNEP said that he had contacted the Government of Mozambique, which had informed him that the revised regulations would in fact enter into force in July 2024.

229. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Mozambique for the period 2024–2030 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$367,250, consisting of US \$207,000, plus agency support costs of US \$26,910, for UNEP and US \$118,000, plus agency support costs of US \$15,340, for UNDP, as reflected in the schedule contained in annex XL to the present report;
- (b) To note that, upon completion of the demonstration project in the air-conditioning sector included in stage I of the KIP, UNDP would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);

- (c) To note also:
- (i) That the Government of Mozambique would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government of Mozambique and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP;
- (d) To approve the first tranche of stage I of the KIP for Mozambique, and the corresponding tranche implementation plan, in the amount of US \$191,535, consisting of US \$83,500, plus agency support costs of US \$10,855, for UNEP and US \$86,000, plus agency support costs of US \$11,180, for UNDP; and
- (e) To request the Government of Mozambique, UNEP, UNDP and the Secretariat to finalize the draft Agreement between the Government of Mozambique and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/48)

Paraguay: Kigali HFC implementation plan (stage I – first tranche) (UNDP)

230. The Executive Committee considered the information contained in paragraphs 29 to 79 of document UNEP/OzL.Pro/ExCom/94/48.

231. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Paraguay for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$471,350, plus agency support costs of US \$32,995, for UNDP, as reflected in the schedule contained in annex XLI to the present report;
- (b) To note:
 - (i) That the Government of Paraguay would establish its starting point for sustained aggregate reductions in HFC consumption based on the guidance provided by the Executive Committee;
 - (ii) That, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines;
 - (iii) That the reductions from the country's remaining HFC consumption eligible for funding, referred to in subparagraph (b)(ii) above, would be deducted from the starting point referred to in subparagraph (b)(i);

- (iv) That upon completion of the end-user technology demonstration project in the commercial refrigeration sector included in stage I of the KIP, UNDP would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (c) To note also:
 - (i) That the Government of Paraguay would continue to monitor HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government of Paraguay and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP;
- (d) To approve the first tranche of stage I of the KIP for Paraguay, and the corresponding tranche implementation plan, in the amount of US \$235,675, plus agency support costs of US \$16,497, for UNDP; and
- (e) To request the Government of Paraguay, UNDP and the Secretariat to finalize the draft Agreement between the Government of Paraguay and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/49)

Saint Lucia: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

232. The Executive Committee considered the information contained in paragraphs 31 to 79 of document UNEP/OzL.Pro/ExCom/94/50.

233. One member proposed noting in the Committee's decision that the Government of Saint Lucia would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be and that the Government would provide that analysis when submitting the second tranche of the KIP.

234. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Saint Lucia for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, in the amount of US \$163,850, consisting of US \$94,000, plus agency support costs of US \$12,220, for UNEP and US \$51,000, plus agency support costs of US \$6,630, for UNIDO, as reflected in the schedule contained in annex XLII to the present report;
- (b) To note:
 - (i) That, if the HFC consumption level for Saint Lucia for the years 2024 or 2025 was above the Montreal Protocol control limits or the maximum allowable consumption

in the future Agreement between the Government of Saint Lucia and the Executive Committee, on the understanding that the Government of Saint Lucia would continue to make every effort to meet those control limits, the Secretariat would inform and seek guidance from the Executive Committee on the procedure to follow in light of decision XXXV/16;

- (ii) That UNEP and the Government of Saint Lucia would include an update on the status of development and enforcement of regulations to prohibit the import and sale of HFC-134a-based domestic refrigeration equipment in the request for the second tranche of stage I of the KIP;
- (c) To note also:
- (i) That the Government of Saint Lucia would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government of Saint Lucia and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP;
- (d) To approve the first tranche of stage I of the KIP for Saint Lucia, and the corresponding tranche implementation plan, in the amount of US \$79,100, consisting of US \$43,000, plus agency support costs of US \$5,590, for UNEP and US \$27,000, plus agency support costs of US \$3,510, for UNIDO; and
- (e) To request the Government of Saint Lucia, UNEP, UNIDO and the Secretariat to finalize the draft Agreement between the Government of Saint Lucia and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/50)

Seychelles: Kigali HFC implementation plan (stage I – first tranche) (UNEP and the Government of Germany)

235. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/52.

236. Two members said that, while they were not opposed to approving stage I of the plan, the country should be urged to establish its HFC quota system as soon as possible and to provide information about that system in the documentation on the second tranche of stage I of the KIP. In addition, one of those members, noting that, according to paragraph 33 of the document, if the HFCs used for charging foreign-flagged fishing vessels exceeded the quota, additional demand would need to be met by the vessels' mother countries, requested clarification about how that would work in practice.

237. The representative of the Secretariat said it was the Secretariat's understanding that the consumption quota attributed to the charging of foreign-flagged fishing vessels would be reduced in proportion to the reduction from the baseline, which would consequently lead to a reduction in HFC supply. Thus, if there

was not sufficient supply on the market to charge those vessels, their owners would have to seek supply from elsewhere.

238. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Seychelles for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029, in the amount of US \$178,540, consisting of US \$85,260, plus agency support costs of US \$11,084, for UNEP and US \$72,740, plus agency support costs of US \$9,456, for the Government of Germany, as reflected in the schedule contained in annex XLIII to the present report;
- (b) To note that the Government planned to establish the following regulatory measures:
 - (i) A ban on the imports and sales of HFC-23, by 1 January 2027;
 - (ii) A ban on the imports and sales of HFCs and HFC blends with a global-warming potential above 3,000 in the fire suppression, foam, aerosol and solvent sectors, by January 2029;
- (c) To note also that, upon completion of the end-user project included in stage I of the KIP, the Government of Germany would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (d) To approve the first tranche of stage I of the KIP for Seychelles, and the corresponding tranche implementation plan, in the amount of US \$92,299, consisting of US \$64,836, plus agency support costs of US \$8,429, for UNEP and US \$16,844, plus agency support costs of US \$2,190, for the Government of Germany; and
- (e) To request the Government of Seychelles, UNEP, the Government of Germany and the Secretariat to finalize the draft Agreement between the Government of Seychelles and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/51)

Sierra Leone: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

239. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/53.

240. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Sierra Leone for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029, in the amount of US \$203,400, consisting of US \$104,317, plus agency support costs of US \$13,561, for UNEP and US \$75,683, plus agency support costs of US \$9,839, for UNIDO, as reflected in the schedule contained in annex XLIV to the present report;

- (b) To note:
- (i) The commitment of the Government of Sierra Leone to establish a ban on the import of domestic refrigeration and commercial stand-alone refrigeration units based on HFC-134a by 1 January 2025, a ban on the use of HFCs in the fire suppression, foam, aerosol and solvent sectors by 1 January 2026 and a ban on the import of split air conditioners based on R-410A by 1 January 2029;
 - (ii) That, upon completion of the end-user technology demonstration project in the commercial refrigeration sector included in stage I of the KIP, UNIDO would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (c) To note also:
- (i) That the Government of Sierra Leone would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be and that it would provide that analysis when submitting the second tranche of the KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government of Sierra Leone and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP;
- (d) To approve the first tranche of stage I of the KIP for Sierra Leone, and the corresponding tranche implementation plan, in the amount of US \$97,745, consisting of US \$65,500, plus agency support costs of US \$8,515, for UNEP and US \$21,000, plus agency support costs of US \$2,730, for UNIDO; and
- (e) To request the Government of Sierra Leone, UNEP, UNIDO and the Secretariat to finalize the draft Agreement between the Government of Sierra Leone and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/52)

Sri Lanka: Kigali HFC implementation plan (stage I – first tranche) (UNDP and UNEP)

241. The proposal for the KIP for Sri Lanka had been withdrawn by the lead implementing agency, on behalf of the Government of Sri Lanka. The representative of that agency said that the project would be resubmitted at the 95th meeting.

Tunisia: Kigali HFC implementation plan (stage I – first tranche) (UNIDO and UNEP)

242. The present KIP was considered together with the pilot energy efficiency project, as proposed in table 4 of document UNEP/OzL.Pro/ExCom/94/17. The decision relating to the pilot project is set out in paragraph 260 of the present report.

243. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/56.

244. One member, expressing concern about the conversion of four enterprises to use HFC-32 as a refrigerant, asked whether alternatives such as R-290 had been considered, especially for smaller air-conditioning units. Another member, commending the Government of Tunisia for its commitment to reduce HFC consumption, expressed support for the approval of stage I of the KIP. A third member asked whether linkages had been established between the energy-efficiency project, the KIP and the demonstration project for the replacement of R-410A-based split air conditioners with HFC-32 and R-290-based units.

245. In response to the first question, the representative of the Secretariat said that a range of technologies had been considered, but the country's market was not yet ready to convert to R-290. For that reason, projects for the conversion to R-290 by some air-conditioner manufacturers had been removed from the original HPMP for the country. Turning to the second question, he said that the demonstration project included in the pilot energy efficiency project was linked to the KIP and the phase-down of HFCs and that it had been adjusted to include a comparison of the energy efficiency of R-410A-based equipment with HFC-32 and R-290-based equipment. It was hoped that the demonstration project would show the latter two technologies to be more energy efficient and that the results of the project would be disseminated in the country.

246. One member noted that there was considerable room for further reduction on the baseline consumption. She was prepared, however, to accept the reduction targets given the uncertainty in predicting future technological developments and the phase-in of lower-GWP HFCs. She recalled that, under decision XXVIII/2 of the Meeting of the Parties, the country had the right to choose the technology best suited to its circumstances and expressed support for the approval of stage I of the KIP.

247. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Tunisia for the period 2024–2030 to reduce HFC consumption by 23.8 per cent of the country's baseline by 2030, in the amount of US \$2,336,184, consisting of US \$2,067,181, plus agency support costs of US \$144,703, for UNIDO and US \$110,000, plus agency support costs of US \$14,300, for UNEP, as reflected in the schedule contained in annex XLV to the present report;
- (b) To note:
 - (i) That the Government of Tunisia would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee;
 - (ii) That, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines;
 - (iii) That the reductions from the country's remaining HFC consumption eligible for funding referred to in subparagraph (b)(ii) above would be deducted from the starting point referred to in subparagraph (b)(i);
- (c) To note also:
 - (i) The strong commitment of the Government of Tunisia to support reductions in HFC consumption in advance of the Montreal Protocol targets;
 - (ii) The commitment of the Government to ban the import and manufacture of HFC-based cold-water dispensers, domestic freezers, domestic refrigerators and stand-alone commercial refrigeration equipment, and residential air-conditioning

units based on HFCs with a global-warming potential greater than 700 by 1 January 2027;

- (iii) That, should the enterprise Star One not manufacture HFC-32-based residential air-conditioning units on a commercial scale upon completion of its conversion and continue such manufacturing for at least three years, UNIDO would return to the Multilateral Fund the funding associated with the conversion, plus the funding associated with the project management unit and agency support costs;
- (iv) That a project to phase out HFCs contained in imported pre-blended polyols in the polyurethane foam sector in Tunisia would be subject to the Executive Committee consideration of funding the phase-out of HFCs contained in imported pre-blended polyols;
- (d) To approve the first tranche of stage I of the KIP for Tunisia, and the corresponding tranche implementation plan, in the amount of US \$1,689,926, consisting of US \$1,526,566, plus agency support costs of US \$106,860, for UNIDO and US \$50,000, plus agency support costs of US \$6,500, for UNEP; and
- (e) To request the Government of Tunisia, UNIDO, UNEP and the Secretariat to finalize the draft Agreement between the Government of Tunisia and the Executive Committee for the reduction in consumption of HFCs, including the information contained in the annex referred to in subparagraph (a) above, and to submit it to a future meeting once the KIP Agreement template had been approved by the Executive Committee.

(Decision 94/53)

D. Pilot projects related to energy efficiency (decision 91/65)

Cameroon: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (UNIDO)

248. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/28.

249. One member, noting the reallocation of US \$28,000 to fund capacity-building for the Electricity Sector Regulatory Agency and the Standards and Quality Agency, asked what areas the capacity-building would cover. Regarding the proposal to draft terms of reference for the construction of laboratories for measuring the performance and calculating the energy efficiency of refrigeration and air-conditioning equipment, he enquired whether there were any specific plans to set up such laboratories with potential avenues for funding.

250. In response, the representative of the Secretariat said that the capacity-building provided to officers of the two agencies would include training on energy-efficiency standards and mechanisms related to air-conditioning and activities undertaken under the KIP. Regarding the terms of reference, the proposal was to establish specifications for an energy-efficiency testing centre. Sources of funding for the testing centre would be identified during or after the drafting of the terms of reference. The representative of UNIDO said that the capacity-building activities aimed to raise awareness among stakeholders of energy efficiency and the minimum energy performance standards (MEPS). Ongoing coordination on MEPS was required at the regional level as Cameroon was part of a regional economic community.

251. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment

activities) for Cameroon, in the amount of US \$120,000, plus agency support costs of US \$10,800, for UNIDO, noting:

- (a) That the Government of Cameroon had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; and
- (b) That the project would be operationally completed no later than 30 June 2026 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 94/54)

El Salvador: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (UNDP)

252. The present pilot project was considered together with the KIP for El Salvador, as proposed in table 4 of document UNEP/OzL.Pro/ExCom/94/17. The discussion is set out in paragraphs 199 to 203 of the present report.

253. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) for El Salvador, in the amount of US \$125,000, plus agency support costs of US \$11,250 for UNDP, noting:

- (a) That the Government of El Salvador had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; and
- (b) That the project would be operationally completed no later than 30 June 2027 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 94/55)

Sri Lanka: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (UNDP)

254. The present pilot project was considered together with the request for the second tranche of the HPMP for Sri Lanka (paragraphs 178 to 180), as proposed by one member.

255. The Executive Committee considered the information contained in paragraphs 117 to 136 of document UNEP/OzL.Pro/ExCom/94/54.

256. In response to one member's request for clarification of the linkages between the project proposed under stage II of the HPMP and the energy efficiency pilot project, the representative of the Secretariat said that the project under the HPMP focused on the development of MEPS for air-conditioning units in residential buildings. The country's use of HFC-32 air-conditioning units was expected to grow in the future, and the market penetration of R-290-based air conditioners was currently very low. On the other hand, the pilot project submitted under decision 91/65 would cover commercial refrigeration equipment used in distribution chains and the use of R-290-based air-conditioning equipment in buildings. It was intended to improve understanding of how to install and service R-290-based air-conditioning equipment, thus allowing the country to adopt the technology quickly should it gain popularity in the future. The proposed project would have linkages with the future KIP for the country in terms of avoiding the use of high-GWP refrigerants in air-conditioning units.

257. The representative of UNDP said that, as part of the project under the HPMP, support would be provided to stakeholders involved in the development of the MEPS for residential air conditioners and training on the MEPS would be given to technicians. Under the KIP, demonstrations would show how highly efficient R-290-based room air conditioners, which had not yet entered the market, could be installed and operated with a view to complying with the MEPS.

258. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) for Sri Lanka, in the amount of US \$245,700, plus agency support costs of US \$22,113, for UNDP, noting:

- (a) That the Government of Sri Lanka had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; and
- (b) That the project would be operationally completed no later than May 2027 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 94/56)

Tunisia: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (UNIDO)

259. The present pilot project was considered together with the KIP for Tunisia, as proposed in table 4 of document UNEP/OzL.Pro/ExCom/94/17. The discussion is set out in paragraphs 242 to 247 of the present report.

260. The Executive Committee decided:

- (a) To approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) for Tunisia, in the amount of US \$170,000, plus agency support costs of US \$15,300, for UNIDO, noting:
 - (i) That the Government of Tunisia had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.;
 - (ii) That the project would be operationally completed no later than 31 December 2027 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project; and
- (b) To invite the Government of Tunisia, if it so wished, to submit an additional pilot project to enhance the energy efficiency of the HFC-32-based split air-conditioning units and R-600a-based cold-water dispensers manufactured by the manufacturing enterprises that were being converted in stage I of the country's Kigali HFC implementation plan, on the understanding that the additional pilot project be submitted no later than the 96th meeting.

(Decision 94/57)

AGENDA ITEM 10: PAPER ON THE ISSUE OF ALTERNATIVES IN POLYURETHANE FOAM MANUFACTURING (paragraph 127 of document UNEP/OzL.Pro/ExCom/93/105)

261. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/58.

262. Several members expressed their appreciation for the document, which provided a useful overview of the situation in the PU foam manufacturing sector in different regions and the challenges faced by some SMEs in transitioning to low-GWP alternatives.

263. One member reiterated the issues relating to HFO supply and prices that his delegation had raised during the present meeting and previous ones. In particular, he noted the persistent lack of availability of HFOs and high HFO prices, which had increased by some 250 per cent since the negotiation of the Kigali Amendment in 2016. He also questioned the sustainability of converting to other alternatives, some of which were deemed by enterprises to be unsuitable for certain applications; he cited as an example the corrosive nature and high flammability of methyl formate and methylal. He emphasized that the issues facing the PU foam manufacturing sector had broader economic repercussions for the countries in his region and beyond. He was of the view that any failure to find permanent solutions regarding low-GWP alternatives would be a failure in terms of technology transfer and the Montreal Protocol in general. On the supply issue, he had requested HFO producers to give adequate explanations, noting that, in the case of one country in his region, the response given for the lack of availability of HFO alternatives had been *force majeure*. He recalled that, when his own country had exceeded its consumption limit by 1 per cent, it had had to pay a penalty to the Fund; *force majeure* was therefore not a sufficient explanation. He said this presented a risk to the sustainability of reconversions. He reiterated that the alternatives that Article 5 countries had been promised in 2016 were not being produced.

264. Another member said that the supply of foam was also an issue of concern in his region. He noted that the Committee often accepted changes in technology because countries had been pushed to adopt prescribed alternatives despite there being questions of sustainability. While acknowledging that document UNEP/OzL.Pro/ExCom/94/58 was a good starting point, he suggested, as a next step, consideration of the revision of some of the KIPs and examination of the specific problems to identify their causes. Regarding the language in the document, he noted that there appeared to be a lack of consistency in the way technologies were listed in different countries, which could confuse markets and industries.

265. Several members acknowledged the persisting difficulties faced by SMEs regarding HFO availability. Two of them noted that some countries had achieved successful transitions, while implementation appeared to be more difficult for others, with progress levels varying across and within regions. One member said that she had assumed the high HFO costs had been a short-term issue, but it appeared to be a systemic problem in certain regions. Another member mentioned that it would be worth looking at why the availability and cost of supplies differed across countries. The members expressed their readiness to support enterprises in adopting viable alternatives that considered environmental, climate and health aspects and to explore further proposals in that regard.

266. Subsequently, the representative of Argentina introduced a proposal for a draft decision set out in a conference room paper, requesting a number of actions from HFO producers and producer countries. One member said that, on initial reflection, the request set out in the proposal sounded like a request to the Secretariat to report on regulatory approaches and frameworks. The representative of Argentina clarified that this was not a request for more information from the Secretariat, who had already prepared sufficient documentation for the present meeting and previous meetings; he maintained that it was the producers that were best placed to provide the specific information being sought. He expressed his understanding that, if the issues were not discussed at the present meeting, they would need to be raised at the Meeting of the Parties and that this could result in delays to implementation of the Kigali Amendment. Several members noted the focus on national circumstances in the proposal and suggested that a broader perspective covering different regions could be beneficial. One member welcomed further discussion with the representative of Argentina beyond the proposal, in order to help it progress on its project given the delays caused by the lack of HFO availability. The Executive Committee agreed to establish a contact group to discuss the proposal further.

267. Later in the meeting, the convener of the contact group introduced a revised proposal that requested the Secretariat and the implementing agencies to prepare a paper providing updated information, rather than the Committee soliciting information directly from HFO producers and producer countries.

268. The Executive Committee decided:

- (a) To note document UNEP/OzL.Pro/ExCom/94/58 on the issue of alternatives in the polyurethane (PU) foam manufacturing sector;
- (b) To request the Secretariat, in conjunction with the implementing agencies, to prepare a paper, for consideration by the Committee at the 95th meeting, that updated information on the availability of technologies; prices of already selected alternatives in not-yet-completed PU foam sector projects in small and medium-sized enterprises; programmes to facilitate access to low-global-warming-potential alternatives; and existing barriers to access those programmes by the local system houses in Article 5 countries; and
- (c) To request the Secretariat to update its report contained in document UNEP/OzL.Pro/ExCom/94/58 for consideration at the 96th meeting, with a focus on small and medium-sized enterprises in the PU foam manufacturing sector, in particular for spray and insulating foam applications.

(Decision 94/58)

AGENDA ITEM 11: ANALYSIS OF THE IMPLICATIONS OF DECISION 62/17 FOR THE IMPLEMENTATION OF HCFC PHASE-OUT MANAGEMENT PLANS (decision 93/105(a))

269. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/59.

270. One member acknowledged the document as responding to the issue raised at the previous meeting and as a good basis for the Committee to work on the approach to the timing and value of the final tranche of a KIP. He suggested the inclusion, in the recommendation, of paragraph 10 of the document, which set out the approach and conditions, with some changes, and paragraph 11, in which revisiting the approach in 2028 for its application to future stages of KIP was proposed. If the Executive Committee wanted to keep the distinction between different groups of Article 5 countries, subparagraph 10(b) should refer only to the “final funding tranche” as opposed to the “second and final funding tranche,” as stage I of KIPs might have more than two tranches. Rather than addressing Article 5 countries in different groups, a more generalized approach could cover all Article 5 countries. The member also sought a clarification of subparagraph 10(c) and whether the final funding tranche referred to therein was for the servicing sector, which the Secretariat subsequently confirmed.

271. Another member acknowledged that the Secretariat’s observations reflected flexibility in addressing stage I of KIPs. He stated that, at its previous meeting, the Executive Committee had addressed the evaluation of some projects on a case-by-case basis, which had already been put into practice at the present meeting. He agreed with the other member’s proposed changes and suggested that they be presented as a draft decision in a conference room paper.

272. One member stated that the proposed approach for stage I of KIPs was acceptable to his delegation, and it would be beneficial to Article 5 countries.

273. Subsequently, the representative of Canada introduced a proposal for a draft decision set out in a conference room paper.

274. The Executive Committee decided:

- (a) To note the analysis of the implications of decision 62/17 for implementation of HCFC phase-out management plans (HPMPs) (decision 93/105(a)), contained in document UNEP/OzL.Pro/ExCom/94/59;
- (b) To encourage Article 5 countries to harmonize the timing of tranches of Kigali HFC implementation plans (KIPs) with tranches of HPMPs;
- (c) That Article 5 countries could submit the final funding tranche for stage I of KIPs, at the earliest, two years prior to the last year of the plan for which a consumption target had been established, on the understanding that the first tranche of stage I of their KIP should be at a funding level not higher than 60 per cent of the total funding for the plan;
- (d) That the final funding tranche approval of stage I of the KIPs for Article 5 countries would be accompanied by a request for a final tranche implementation report, and where applicable, a verification report on the current stage of the KIPs ensuring that all activities foreseen had been completed and HFC consumption targets had been met;
- (e) That, after the approval of the final funding tranche of stage I of KIPs, in any unforeseen circumstances where adjustments of funding, including those resulting from non-compliance with the KIP Agreements with the Executive Committee, needed to be made, those adjustments would be made in the subsequent stage of KIPs; and
- (f) To revisit the elements referred to in subparagraphs (c) to (e) above in 2028 for their application to future stages of the KIPs, including the level of funding disbursement of stage I of the KIPs that was required for the consideration of stage II.

(Decision 94/59)

AGENDA ITEM 12: MATTERS RELATED TO THE KIGALI AMENDMENT TO THE MONTREAL PROTOCOL

- (a) Draft guidelines for funding the phase-down of HFCs in Article 5 countries, including consideration of operationalizing paragraph 24 of decision XXVIII/2 (paragraph 351 of document UNEP/OzL.Pro/ExCom/93/105)**

275. The Chair recalled that document UNEP/OzL.Pro/ExCom/94/60, for consideration under the present sub-item, represented a continuation of the discussion held at the 93rd meeting, and she encouraged members to reach agreement on the outstanding elements of the cost guidelines.

276. The Executive Committee agreed to establish a contact group to discuss the matter further.

277. Subsequently, the convener of the contact group said that the issue of cost elements would be discussed in a smaller group consisting of representatives of four Article 5 Parties and four non-Article 5 Parties.

278. Later in the meeting, the convener of the group informed the Executive Committee that the group had agreed that, for the domestic refrigeration sector, the previously agreed cost-effectiveness threshold of US \$13.76 per kilogram would remain the same, and agreement had been reached on the IOCs in that sector, at a value of US \$5.75 per kilogram. With regard to the commercial refrigeration sector, the IOCs had been agreed at US \$5.50 per kilogram. For the PU foam sector, the IOCs had been agreed at US \$5.20 per kilogram, and the previously agreed cost-effectiveness threshold of US \$9.00 per kilogram would remain the same. Discussions would need to continue at the 95th meeting with regard to large enterprises in the

stationary air-conditioning sector, SMEs and the starting point. She requested that the working documents containing the proposals of the Article 5 Parties and non-Article 5 Parties with regard to large enterprises and with regard to SMEs be annexed to the present report, along with the working texts on SMEs and the starting point.

279. The Executive Committee agreed to continue, at its 95th meeting, consideration of the draft guidelines for funding the phase-down of HFCs in Article 5 countries, including consideration of operationalizing paragraph 24 of decision XXVIII/2, using the working documents set out in annex XLVI to the present report.

(b) Further elaboration on the operational framework to support maintaining and/or enhancing energy efficiency described in document UNEP/OzL.Pro/ExCom/93/98 (decision 93/93(d))

280. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/61.

281. A number of members thanked the Secretariat for the very informative document. Two members noted in particular that a convergence of views was developing and that the Secretariat had adeptly reflected that convergence in the document and had provided many of the details previously requested.

282. One member, while noting with appreciation the comprehensive nature of the document, raised a number of concerns. For example, it could be difficult to establish a correlation between energy savings for users and savings for the country in terms of investment in infrastructure for energy generation. The methodology proposed in paragraph 6(d) of the document could be difficult for many countries to implement. With regard to monitoring and reporting on progress and outcomes, the lack of relevant competencies, in particular accredited laboratories, could be an issue for most countries, and the competencies of implementing and bilateral agencies with regard to the evaluation of assessments should be examined. The quantification of energy-efficiency gains in kilowatt hours per year could also pose a challenge. As MEPS were generally managed and revised by energy authorities, the results would be contingent on various national circumstances. Linking the revision of MEPS to the project life cycle could therefore be challenging. Further discussion was needed regarding the suggestion to use a globally averaged power grid carbon intensity when evaluating projects. More clarity would be desirable with regard to the specific roles and responsibilities of national ozone units (NOUs) and bodies regulating energy efficiency. He wished to continue discussions on the matter in a contact group, so that the momentum gained during discussions held at previous meetings would not be lost.

283. Another member noted that the development of MEPS was a multi-stakeholder process that, in his country, generally took at least three to five years. He therefore wondered whether it was possible to reconsider the proposed prerequisite whereby a country had to have already established MEPS in order to be eligible for incentives. Other members, however, expressed the view that it was important to maintain that prerequisite.

284. One member stressed the importance of systematically structuring any further discussion to be carried out in a contact group, perhaps by first agreeing on topics and the order in which they would be addressed.

285. Another member, while noting with appreciation the Secretariat's consideration of key points, such as the need to have MEPS in place as a prerequisite for eligibility to receive incentives, said that some questions still required further discussion, such as the periodic upgrading of MEPS. The methodology set out in the paper was quite complex and might need further clarification. Her delegation wished to prioritize discussions on the provision of funding for manufacturing transitions, which she saw as a key focus of the paper.

286. One member, while expressing his satisfaction with the section of the paper on incentives, requested clarification of the section on non-investment activities, specifically with regard to the quantification of concrete benefits and the distinction between such activities and other funding that the Multilateral Fund had already provided. The section of the paper on a revolving fund was intriguing but required further discussion.

287. Another member, echoing the request for further clarification with regard to a possible revolving fund, said with regard to investment activities that it was also important to establish clearly the role of the NOUs and that of coordination and cooperation bodies regulating energy efficiency.

288. Lastly, one member pointed out that energy efficiency projects were unrelated to compliance with the Montreal Protocol and, as such, were currently ineligible for funding. NOUs were already overburdened and should not be asked to coordinate energy efficiency activities in addition to their other responsibilities. In her delegation's view, the determination of how best to finance energy-efficiency projects within the Multilateral Fund without burdening the NOUs should be made a priority.

289. The Executive Committee agreed to establish a contact group to discuss the matter further.

290. Subsequently, the convener of the contact group introduced a working text, the content of which had largely been agreed upon during discussions in the contact group, with the exception of two subparagraphs contained in square brackets. One member proposed to remove the brackets and make a small amendment to the text.

291. The Executive Committee decided:

- (a) To note the information provided in document UNEP/OzL.Pro/ExCom/94/61 further elaborating the operational framework to support maintaining and/or enhancing energy efficiency described in document UNEP/OzL.Pro/ExCom/93/98 covering aspects mentioned in decision 93/93(d);
- (b) To request the Secretariat:
 - (i) To use the operational framework on energy efficiency while phasing down HFCs elaborated in paragraphs 8 to 38 of document UNEP/OzL.Pro/ExCom/94/61¹ for enhancing energy efficiency when phasing down HFCs in the manufacturing of domestic refrigerators, commercial refrigeration display cabinets, commercial refrigeration chest freezers, residential air conditioners and commercial air conditioners, for an initial period of three years;
 - (ii) To propose periodically any updates to the agreed methodology in light of the experience gained from projects reviewed and implemented under the operational framework;
- (c) To agree to a funding window of US \$100 million for projects developed and implemented under the framework, subject to further augmentation by the Executive Committee;
- (d) That any investment projects submitted under decision 91/65 would be subject to the methodology and conditions contained in the operational framework in paragraphs 8–38¹ of document UNEP/OzL.Pro/ExCom/94/61;

¹ The following additions were made to document UNEP/OzL.Pro/ExCom/94/61:

In paragraph 28: $Q_{\text{manufactured}}$ = actual quantity of equipment manufactured with target energy efficiency as submitted, for the baseline year;

In paragraph 34: No incentives would be available for equipment that does not have an established mandatory MEPS in the country. Compensated lines would only export equipment at or above their domestic mandatory MEPS requirements.

- (e) To request the Secretariat to apply the modality in paragraphs 65–72 of document UNEP/OzL.Pro/ExCom/94/61 relevant to investment projects;
- (f) To encourage countries to share information on the carbon dioxide-equivalent emission reductions achieved;
- (g) To consider, at the conclusion of the initial period, whether and how to continue the incentive-based approach for equipment manufacturing;
- (h) To request the Secretariat to further elaborate on the operational framework on energy efficiency while phasing down HFCs, for consideration at the 95th meeting, specifically in relation to:
 - (i) Costs for maintaining and/or enhancing energy efficiency in non-manufacturing activities covered in section I.3 of document UNEP/OzL.Pro/ExCom/94/61;
 - (ii) Costs for maintaining and/or enhancing energy efficiency for component manufacturers as indicated in document UNEP/OzL.Pro/ExCom/93/98 and heat-pump manufacturers;
 - (iii) An operational framework for a revolving fund for end-user incentive projects; and
 - (iv) Criteria for considering projects for using the revolving fund set out in section IV of document UNEP/OzL.Pro/ExCom/94/61.

(Decision 94/60)

(c) Draft template for an Agreement for stage I of Kigali HFC implementation plans (paragraph 368 of document UNEP/OzL.Pro/ExCom/93/105)

292. The Chair drew attention to the fact that many agreements for the first stage of the KIPs were pending, which made difficult the work of Governments, agencies and the Secretariat. She encouraged members to agree on the draft template contained in document UNEP/OzL.Pro/ExCom/94/62.

293. The Executive Committee agreed to establish a contact group to discuss the matter further.

294. Subsequently, the Executive Committee agreed to continue, at the 95th meeting, consideration of the draft template for an Agreement for stage I of Kigali HFC implementation plans, using the working document set out in annex XLVII to the present report.

AGENDA ITEM 13: PAPER ON HOW HCFC PHASE-OUT AND HFC PHASE-DOWN ACTIVITIES SUPPORTED BY THE MULTILATERAL FUND MIGHT CONTRIBUTE TO SUSTAINABLE COOLING (decision 92/1(b))

295. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/63.

296. A number of members thanked the Secretariat for the comprehensive and well-prepared document. One member said that the cooling demand was related to climate, population, rising aspirations and economic growth. It was important to establish a policy framework that supported and incentivized sustainable cooling and thermal comfort for all and to forge synergies and develop cross-cutting integrated policies to secure environmental benefits while meeting countries' developmental needs. The adoption of passive cooling design strategies offered immense potential for decreasing the demand for refrigerant-based cooling. The remaining demand should then be met using energy-efficient, low-GWP and climate-friendly technologies. In order to provide a clear way forward for the industry, regulatory measures on energy

efficiency and refrigerant transition should be synchronized and meet both domestic objectives and commitments under the Montreal Protocol. A mismatch between supply and demand with regard to sustainable cooling technologies was a key issue in several countries. Challenges related to data collection needed to be addressed. The Multilateral Fund could play a key role in promoting the adoption of sustainable cooling technologies, and its project implementation and reporting modalities could serve as the basis for a framework for institutional coordination. As the issue of sustainable cooling was closely related to the discussions held during the informal half-day session on strategic approaches to Kigali Amendment implementation, he, supported by another member, proposed to hold further discussions on both matters jointly in a contact group.

297. Several members noted with appreciation the importance attached to sustainable cooling in recent years within the international community, as demonstrated by the launch of the Global Cooling Pledge at the twenty-eighth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change. The consideration of the document and ensuing discussion were therefore timely.

298. One member said that sustainable cooling was crucial for both the mitigation of and adaptation to climate change and that the potential climate benefits could be tremendous if decisive action were taken. While the Multilateral Fund already played a major role in sustainable cooling, in particular through the implementation of the Kigali Amendment, there were bigger opportunities available with regard to energy efficiency and early action on the phase down of HFCs. It was useful to see listed in the document the various actions that the Fund could take to that end. Through the adoption of the operational framework to support maintaining and/or enhancing energy efficiency, the Fund would be able to take a leading role in dealing with the important issue of sustainable cooling.

299. Another member noted with appreciation the important information provided in the document on affordable, accessible and scalable approaches to meeting the growing cooling needs while minimizing the impact on people and the planet.

300. Several members said that the Multilateral Fund was a key player in the cooling sector but would need to collaborate with other stakeholders to reduce the sector's greenhouse gas emissions successfully. The most important aspect of the current discussion would be the current and future role of the Fund with regard to sustainable cooling. NOUs should communicate and coordinate with energy-efficiency officials and with other bodies at the national and international levels.

301. One member noted the lack of low-GWP alternatives to HFCs in Article 5 countries and the challenge of transferring technologies between regions. He therefore proposed using the document as a starting point for the elaboration of a road map for the identification and implementation of cooling solutions that could reduce greenhouse gas emissions and improve energy efficiency.

302. Another member said that national cooling action plans provided an excellent opportunity to strengthen coordination with other initiatives. She requested further information about what the strengthening of data collection on cooling might entail in practice. While the provision of general support for passive cooling might be beyond the scope of the Multilateral Fund, the provision of targeted information on and support for appropriate foam blowing agent technologies seemed appropriate, and she was in favour of holding further discussions on that subject. The key aspect of the promotion of sustainable cooling was the direct transition to and use of very low-GWP substances in ways that posed no harm to human health or the environment, so as to avoid HFC consumption becoming entrenched.

303. One member expressed interest in pursuing the strengthening of data collection on cooling and the monitoring of information on foam blowing agent technologies and other insulation solutions. While other activities proposed in the document were also interesting, the Multilateral Fund was already addressing many of those issues in its work to some extent. Expressing support for that statement, another member added that he was not comfortable with some of the proposals that went beyond the scope of the Montreal Protocol and

involved work with outside institutions. The implementation of the Kigali Amendment already posed many challenges, and the Multilateral Fund should therefore focus on its specific activities under the Protocol. Another member said that sustainable cooling was an important issue that provided the opportunity to address challenges not already covered by the work on the phasing out of HCFCs and the phasing down of HFCs.

304. The Executive Committee agreed to establish a contact group to discuss the matter further.

305. Given the referral, to the same contact group, of consideration of the summary and key takeaways of the half-day session held on 26 May 2024 on strategic approaches to the implementation of the Kigali Amendment, under agenda item 17 on other matters, the outcome of the group's deliberations and the subsequent decision of the Executive Committee are set out in paragraphs 322 to 325 of the present report.

AGENDA ITEM 14: ISSUE RELATING TO A FUNDING WINDOW TO ASSIST ARTICLE 5 COUNTRIES AFFECTED BY THE CORONAVIRUS DISEASE PANDEMIC (paragraph 406 of document UNEP/OzL.Pro/ExCom/93/105)

306. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/65.

307. The representative of Cuba said that his country and seven other Article 5 countries that had been severely affected by the COVID-19 pandemic required additional funding and support to fulfil their HFC reduction obligations. Cuba had received insufficient funding for the projects under its KIP to achieve its 10 per cent HFC reduction target, and the two-year period of flexibility was not enough to undertake the technological transformations required to meet the target. The country's HFC imports were approaching pre-pandemic levels. He proposed holding bilateral discussions in the margins of the meeting to consider potential project proposals and find a way forward. If no progress was made at the present meeting, the country would raise the matter at the forty-sixth meeting of the Open-ended Working Group in July 2024.

308. One member recalled that, under decision XXXV/16 of the Meeting of the Parties, any consideration of compliance status of the Parties listed in the annex to that decision had been deferred until 2026 data became available, on the understanding that those Parties would make every effort to comply with the control measures and expeditiously submit their respective KIPs. The KIPs of two of the Parties had been approved at the previous meeting and a third had been approved at the present meeting. Five of the Parties, however, had not yet submitted their KIPs. While he would be amenable to engaging in bilateral discussions, he urged the representative of Cuba to use the proper channel to seek compensation or additional funding, namely the submission of a proposal to the Multilateral Fund via the country's implementing agency.

309. Another member echoed those comments, adding that the Executive Committee had decided, at its 93rd meeting, to grant Cuba the flexibility to submit additional investment projects in stage I of its KIP. She said that funding for additional activities for the introduction of alternatives to HCFCs with low GWP and for maintaining energy efficiency in the refrigeration servicing sector would help the country meet its HFC reduction obligations. The Executive Committee was already considering funding for HFC phase-down activities on a case-by-case basis in accordance with its established guidelines. In her view, it would be appropriate for the Executive Committee to urge Botswana, Mauritius, Mongolia, the Republic of Moldova and Rwanda to submit their KIPs as soon as possible.

AGENDA ITEM 15: DRAFT REPORT OF THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL TO THE THIRTY-SIXTH MEETING OF THE PARTIES

310. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/94/64. She explained that, in line with the approach taken for the first time in the report to the Thirty-Fifth Meeting of the Parties, the report to the Thirty-Sixth Meeting of the Parties was concise and divided into two parts. The first part contained a

review of the reporting period since the Thirty-Fifth Meeting of the Parties, without repeating information from previous periods. It included the matters related to the Kigali Amendment, other policy matters and issues related to projects and business planning. The second part communicated the achievements of the Fund since its inception. In support of part 2, the annual newsletter issued in December 2023 would be annexed.

311. The Executive Committee agreed to authorize the Secretariat to finalize the report of the Executive Committee to the Thirty-Sixth Meeting of the Parties to the Montreal Protocol in light of the discussions held and decisions adopted at the 94th meeting, and to submit it to the Ozone Secretariat following clearance by the Chair.

AGENDA ITEM 16: REPORT OF THE SUB-GROUP ON THE PRODUCTION SECTOR

312. The facilitator of the Sub-group on the Production Sector introduced the report of the Sub-group, as contained in document UNEP/OzL.Pro/ExCom/94/66. He said that the Sub-group had met once on the margins of the present meeting and had considered two agenda items.

313. The first related to the HCFC production phase-out management plan for China, specifically the reporting of HCFCs captured from high-boiling residue (HBR) under Article 7 of the Montreal Protocol. Following the Sub-group's consideration, at the 93rd meeting, of the 2022 verification report of the HCFC production sector in China, it had been found that two producers had used HCFCs contained in HBR as feedstock for the further production of other chemicals, but that such production for feedstock use had not been reported under Article 7. Consequently, the Executive Committee had requested the Government of China to submit a report on the matter to the 94th meeting. According to that report, one of the producers had captured HBR mixtures containing HCFCs and had sold them for feedstock use. The other producer had used a HBR mixture containing HCFCs internally as feedstock for the production of other chemicals. Where the HBR mixture containing HCFCs had been captured and sold, the Government had agreed to report its use as feedstock. For the other producer, which had, in 2023, installed equipment to recover HCFCs from HBR, the Sub-group had agreed to further consider the issue of reporting HCFCs in HBR captured and used as feedstock at the 95th meeting in the context of the 2023 HCFC production verification, which would include further information on the matter.

314. The second item related to an issue remaining from the updated guidelines and the standard format used for the verification of ODS production phase-out, namely the inclusion of national information on the change in HCFC stock level at integrated HCFC production facilities that were not subject to annual verification. The Sub-group had been unable to reach an agreement and had decided to close the item. Some members had considered that the inclusion of such information would be important and useful, while others had maintained that the information was confidential and that it was the responsibility of Article 5 countries to ensure that HCFC stocks were directed towards feedstock applications at integrated facilities. It had been noted that the Government of China conducted regular investigations of HCFC feedstock use and had comprehensive regulations requiring that stocks at integrated production facilities should be used exclusively for feedstock purposes.

315. The Executive Committee took note of the report of the Sub-group on the Production Sector contained in document UNEP/OzL.Pro/ExCom/94/66.

HCFC production phase-out management plan for China: Report on the matter relating to the reporting of HCFCs captured from high-boiling residue under Article 7 of the Montreal Protocol (decision 93/99(c))

316. The Executive Committee decided:

(a) To note:

- (i) That the Government of China would revise its Article 7 data for HCFCs to reflect the HCFCs captured and sold from the high-boiling residue (HBR) identified in the 2022 annual HCFC production verification report;
- (ii) That the Government would continue to report under Article 7 of the Montreal Protocol HCFCs captured and sold from HBR;
- (iii) That the Government had agreed to include, as part of the training provided under the HCFC production phase-out management plan, the issue of reporting HCFCs captured and sold from HBR; and

(b) To consider further, at the 95th meeting, the issue of reporting the HCFCs captured in HBR in light of the additional information provided during the meeting of the Sub-group at the 94th meeting and the additional information in the 2023 HCFC verification report to be submitted to the 95th meeting.

(Decision 94/61)

AGENDA ITEM 17: OTHER MATTERS

Summary and key takeaways of the half-day session held on 26 May 2024 on strategic approaches to the implementation of the Kigali Amendment

317. The Executive Committee considered document UNEP/OzL.Pro/ExCom/94/Inf.3.

318. Several members thanked the Secretariat for organizing the useful half-day session and for compiling a summary of the key takeaways. They expressed their willingness to continue the discussion in a contact group.

319. One member pointed out that Article 5 countries faced several challenges in the implementation of a sustainable HFC phase-down. Sustainability, along with compliance obligations, needed to be addressed as part of the implementation of KIPs. Activity-based costs should be revisited with regard to such key issues as energy efficiency and safety standards for low-GWP refrigerants, given that the cost structure of the interventions needed to achieve the intended results. He recalled that, in the early years of operation of the Multilateral Fund, the Executive Committee had funded country programmes and strategic plans for all sectors that used controlled substances. Important decisions had to be taken in that regard in order not to waste the significant opportunities for the transition to sustainable technologies. He reiterated his proposal to hold joint discussions on the present matter and the document presented under agenda item 13 in the same contact group.

320. Two members agreed that some of the concepts dealt within the half-day session presented opportunities to pursue greater efficiencies and benefits beyond the minimum required for compliance. They expressed interest in playing an active part in the larger community and collaborating with other entities to carry out activities, even if those activities were not directly related to compliance obligations.

321. The Executive Committee agreed to refer the matter to the contact group established under agenda item 13.

322. Subsequently, the representative of India introduced a draft decision set out in a conference room paper submitted by the Governments of Argentina, Cuba, Ghana, India, Jordan, Kuwait and Tunisia, requesting the Secretariat to prepare a paper for the consideration of the Executive Committee at its 95th meeting, taking into consideration the discussions at the half-day session and document UNEP/OzL.Pro/ExCom/94/63 on how HCFC phase-out and HFC phase-down activities contributed to sustainable cooling, in order for the Committee to be able to continue its discussions on strategic approaches to the Kigali Amendment for sustainable HFC phase-down by Article 5 countries.

323. While some members supported the draft decision, others wished to discuss whether it was necessary for the Secretariat to prepare an additional paper for consideration at the 95th meeting.

324. Subsequently, the Executive Committee considered a revised draft decision, submitted by the contact group.

325. The Executive Committee decided:

- (a) To note that the Multilateral Fund was an important institution in supporting Article 5 Parties in the implementation of the legally binding Kigali Amendment to the Montreal Protocol through the adoption of low-global-warming-potential, energy-efficient and sustainable cooling technologies; and
- (b) To continue discussions during meetings of the Executive Committee, beginning by scheduling a half-day session immediately following the 95th meeting, on the strategic approaches to the Kigali Amendment implementation for sustainable HFC phase-down by Article 5 Parties, taking into consideration the discussions at the half-day session prior to the 94th meeting on strategic approaches to the Kigali Amendment implementation and document UNEP/OzL.Pro/ExCom/94/63 on how HCFC phase-out and HFC phase-down activities supported by the Multilateral Fund might contribute to sustainable cooling.

(Decision 94/62)

Dates and venues of the 95th to 98th meetings of the Executive Committee

326. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/94/Inf.2.

327. He highlighted that the holding of the meeting earlier in May would potentially require project proposals to be submitted over the 2025–2026 holiday season. In a similar vein, one member recalled that there would be several important religious festivals in May 2026. Other members said that the meeting should not coincide with major events in Montreal as it could be very hard to secure accommodation.

328. The Executive Committee decided:

- (a) To hold a half-day session on the strategic approaches to the Kigali Amendment implementation for sustainable HFC phase-down by Article 5 Parties on 9 December 2024, immediately after the 95th meeting in line with decision 94/62, in Montreal, Canada, at the International Civil Aviation Organization (ICAO); and
- (b) To hold the 98th meeting from 22 to 26 June 2026 in Montreal, Canada, at ICAO.

(Decision 94/63)

AGENDA ITEM 18: ADOPTION OF THE REPORT

329. The Executive Committee adopted the present report on the basis of the draft report contained in document UNEP/OzL.Pro/ExCom/94/L.1.

AGENDA ITEM 19: CLOSURE OF THE MEETING

330. The Chief Officer bade farewell to Bernhard Siegele of Germany, who was attending his last meeting of the Executive Committee. As a representative of a bilateral agency, he had played a key role in strengthening countries' capabilities, especially in relation to low-GWP alternative technologies, and had been very active at inter-agency coordination meetings. She also acknowledged the contribution of Ole Nielsen from UNIDO, who was retiring, saying that he had been a pillar among the implementing agencies. On behalf of the Secretariat, she wished them both all the best in their new endeavours.

331. Following the customary exchange of courtesies, the Chair closed the meeting at 6.45 p.m. on Friday, 31 May 2024.



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

TABLE 1 : STATUS OF THE FUND FROM 1991-2024 (IN US DOLLARS)

As at 24/05/2024

INCOME		
Contributions received:		
- Cash payments including note encashments		4,345,293,307
- Promissory notes held		0
- Bilateral cooperation		188,759,809
- Interest earned *		282,507,890
- Miscellaneous income		26,422,453
Total Income		4,842,983,459
ALLOCATIONS** AND PROVISIONS		
- UNDP	1,058,007,535	
- UNEP	444,592,682	
- UNIDO	1,048,274,757	
- World Bank	1,325,834,341	
Unspecified projects	-	
Less Adjustments	-	
Total allocations to implementing agencies		3,876,709,315
Secretariat and Executive Committee costs (1991-2026)		
- includes provision for staff contracts into 2026		171,238,429
Treasury fees (2003-2026)		12,056,982
Monitoring and Evaluation costs (1999-2025)		4,010,686
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		188,759,809
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		30,045,913
Total allocations and provisions		4,284,625,690
Cash		558,357,769
Promissory Notes:		
BALANCE AVAILABLE FOR NEW ALLOCATIONS		558,357,769

* Includes interest amount US \$1,600,912 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 2022 and preliminary 2023 accounts of the Fund and approved amounts for 2020 - 2026.

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

TABLE 2 : 1991 - 2024 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME (US\$)

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 24/05/2024

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	2021-2023	2024-2026	1991-2024
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	496,274,667	473,714,767	175,199,999	4,792,310,474
Cash payments/received	206,611,034	381,594,829	418,966,144	406,691,769	421,323,976	339,225,803	376,678,075	379,922,493	418,531,677	478,141,867	436,814,356	80,791,284	4,345,293,307
Bilateral assistance	4,366,255	11,870,240	20,836,903	22,591,302	44,246,306	19,671,519	14,151,636	11,412,900	14,168,565	13,681,572	11,762,610	0	188,759,809
Promissory notes	0	0	0	0	0	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	391,335,393	432,700,242	491,823,439	448,576,966	80,791,284	4,534,053,116
Disputed contributions	0	8,098,267	0	0	0	32,471,642	405,792	3,477,910	1,301,470	3,725,331	1,285,232	0	50,765,644
Outstanding pledges	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	5,480,332	3,498,288	4,451,228	25,137,801	94,408,715	258,257,358
Payments %age to pledges	90%	93%	93%	98%	98%	98%	98%	99%	99%	99%	95%	46%	95%
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	25,295,186	35,822,627		282,507,890
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	2,666,182	2,769,663		26,422,453
TOTAL INCOME	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	405,812,320	404,921,996	403,754,856	443,319,713	519,784,806	487,169,256	80,791,284	4,842,983,459
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	2021-2023	2024-2026	1991-2024
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	496,274,667	473,714,767	175,199,999	4,792,310,474
Total payments	210,977,289	393,465,069	439,803,048	429,283,071	465,570,282	358,897,322	390,829,712	391,335,393	432,700,242	491,823,439	448,576,966	80,791,284	4,534,053,116
Payments %age to pledges	90%	93%	93%	98%	98%	98%	97.80%	98.62%	99.20%	99.10%	94.69%	46.11%	94.61%
Total income	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	405,812,320	404,921,996	403,754,856	443,319,713	519,784,806	487,169,256	80,791,284	4,842,983,459
Total outstanding contributions	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	5,480,332	3,498,288	4,451,228	25,137,801	94,408,715	258,257,358
As % to total pledges	0	0	0	0	0	0	2.20%	1.38%	0.80%	0.90%	5.31%	53.89%	5.39%
Outstanding contributions for certain Countries with Economies in Transition	24,051,952	31,376,278	32,763,961	9,811,798	7,511,984	5,940,206	6,211,155	5,000,737	3,405,326	4,037,668	19,838,165	5,677,579	155,626,810
CEITs' outstandings %age to pledges	10.23%	7.39%	6.93%	2.23%	1.58%	1.61%	1.55%	1.26%	0.78%	0.81%	4.19%	3.24%	3.25%

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 : 1991-2024 Summary Status of Contributions (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Andorra	218,306	218,306	0	0	0	0
Australia*	117,486,862	116,861,571	2,584,559	0	-1,959,268	2,612,082
Austria	51,737,969	48,903,637	523,623	0	2,310,709	517,559
Azerbaijan	2,137,414	311,683	0	0	1,825,731	0
Belarus	4,338,659	1,069,991	0	0	3,268,668	0
Belgium	64,038,772	64,038,773	0	0	0	2,544,028
Bulgaria	2,593,621	2,427,391	0	0	166,230	0
Canada*	184,964,834	166,260,836	10,802,182	0	7,901,815	-1,070,817
Croatia	2,547,513	2,277,389	0	0	270,124	179,764
Cyprus	1,790,019	1,683,157	0	0	106,862	50,508
Czech Republic	18,219,049	17,942,116	276,933	0	0	726,085
Denmark	42,590,146	40,787,571	161,053	0	1,641,522	4,379
Estonia	1,439,613	1,439,613	0	0	1	58,851
Finland	33,146,393	31,586,269	322,303	0	1,237,821	-58,593
France	364,381,575	334,891,652	16,672,393	0	12,817,530	-4,326,929
Germany	511,487,569	408,116,546	85,595,234	0	17,775,789	7,263,875
Greece	30,250,513	30,250,513	0	0	0	-1,224,611
Holy See	29,429	29,429	0	0	0	0
Hungary	11,906,845	11,860,351	46,494	0	0	102,932
Iceland	1,984,696	1,659,567	0	0	325,129	51,218
Ireland	21,212,789	21,212,789	0	0	0	897,884
Israel	24,664,159	3,824,671	70,453	0	20,769,035	0
Italy	284,616,599	265,547,029	19,069,571	0	0	7,669,715
Japan	849,210,367	805,738,661	19,626,592	0	23,845,114	0
Kazakhstan	4,088,866	2,406,516	0	0	1,682,350	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	1,851,627	1,851,627	0	0	0	-14,879
Liechtenstein	527,174	527,174	0	0	0	0
Lithuania	2,839,491	2,117,957	0	0	721,534	-1,377
Luxembourg	4,645,449	4,443,598	0	0	201,851	17,635
Malta	674,458	332,205	0	0	342,253	15,485
Monaco	469,639	469,639	0	0	0	-572
Netherlands	102,388,779	98,301,298	0	0	4,087,480	0
New Zealand	16,252,230	15,334,995	0	0	917,234	482,202
Norway	45,464,494	43,448,953	0	0	2,015,540	2,024,226
Panama	16,915	16,915	0	0	0	0
Poland	34,861,875	34,748,875	113,000	0	0	1,436,467
Portugal	25,141,701	25,093,960	47,743	0	-1	268,751
Romania	6,574,067	4,548,402	0	0	2,025,665	-1,286
Russian Federation	175,663,314	45,911,441	666,676	0	129,085,197	6,576,265
San Marino	89,258	89,259	0	0	-1	3,429
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	7,040,176	7,023,654	16,523	0	-1	183,327
Slovenia	3,999,218	3,764,715	0	0	234,503	6,037
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	160,014,591	153,571,839	6,442,752	0	0	3,123,010
Sweden	65,779,757	64,205,429	1,574,328	0	0	874,337
Switzerland	74,211,215	72,297,984	1,913,230	0	1	-2,130,302
Tajikistan	204,985	49,086	0	0	155,899	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	11,650,918	1,303,750	0	0	10,347,168	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	337,524,474	323,972,746	565,000	0	12,986,728	1,185,229
United States of America	1,076,541,576	1,054,974,385	21,567,191	0	0	0
Uzbekistan	1,336,169	472,506	0	0	863,663	0
SUB-TOTAL	4,792,310,474	4,345,293,307	188,759,809	0	258,257,358	30,045,913
Disputed Contributions***	50,765,644	0	0	0	50,765,644	
TOTAL	4,843,076,118	4,345,293,307	188,759,809	0	309,023,002	

* 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 2024-2026 (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	14,842	14,842	0	0	0
Australia	6,266,282	8,225,550			-1,959,268
Austria	2,015,540				2,015,540
Azerbaijan	89,052				89,052
Belarus	121,704				121,704
Belgium	2,457,831	2,457,831			0
Bulgaria	166,230				166,230
Canada	7,800,942				7,800,942
Croatia	270,124				270,124
Cyprus	106,862				106,862
Czech Republic	1,009,254	1,009,254			0
Denmark	1,641,522				1,641,522
Estonia	130,609	130,609			0
Finland	1,237,821				1,237,821
France	12,817,530				12,817,530
Germany	18,139,862				18,139,862
Greece	964,728	964,728			0
Holy See	2,968	2,968			0
Hungary	676,794	676,794			0
Iceland	106,862				106,862
Ireland	1,303,125	1,303,125			0
Israel	1,665,270				1,665,270
Italy	9,466,212	9,466,212			0
Japan	23,845,117				23,845,117
Kazakhstan	394,797				394,797
Latvia	148,420	148,420			0
Liechtenstein	29,684	29,684			0
Lithuania	228,566				228,566
Luxembourg	201,851				201,851
Malta	56,400				56,400
Monaco	32,652	32,652			0
Netherlands	4,087,480				4,087,480
New Zealand	917,234				917,234
Norway	2,015,540				2,015,540
Poland	2,484,547	2,484,547			0
Portugal	1,047,843	1,047,843			0
Romania	926,139				926,139
Russian Federation	5,539,025	1,500,000			4,039,025
San Marino	5,937	5,937			0
Slovak Republic	460,101	460,101			0
Slovenia	234,503				234,503
Spain	6,334,555	6,334,555			0
Sweden	2,585,472	2,585,472			0
Switzerland	3,366,160	3,366,160			0
Tajikistan	8,905				8,905
Ukraine	166,230				166,230
United Kingdom	12,986,728				12,986,728
United States of America	38,544,000	38,544,000			0
Uzbekistan	80,147				80,147
TOTAL	175,199,999	80,791,284	0		94,408,715
Disputed Contributions			0		0
TOTAL	175,199,999	80,791,284	0		94,408,715

CEITs	11,938,884	6,261,305	0		5,677,579
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 5 : Status of Contributions for 2024 (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	14,842	14,842			0
Australia	6,266,282	8,225,550			-1,959,268
Austria	2,015,540				2,015,540
Azerbaijan	89,052				89,052
Belarus	121,704				121,704
Belgium	2,457,831	2,457,831			0
Bulgaria	166,230				166,230
Canada	7,800,942				7,800,942
Croatia	270,124				270,124
Cyprus	106,862				106,862
Czech Republic	1,009,254	1,009,254			0
Denmark	1,641,522				1,641,522
Estonia	130,609	130,609			0
Finland	1,237,821				1,237,821
France	12,817,530				12,817,530
Germany	18,139,862				18,139,862
Greece	964,728	964,728			0
Holy See	2,968	2,968			0
Hungary	676,794	676,794			0
Iceland	106,862				106,862
Ireland	1,303,125	1,303,125			0
Israel	1,665,270				1,665,270
Italy	9,466,212	9,466,212			0
Japan	23,845,117				23,845,117
Kazakhstan	394,797				394,797
Latvia	148,420	148,420			0
Liechtenstein	29,684	29,684			0
Lithuania	228,566				228,566
Luxembourg	201,851				201,851
Malta	56,400				56,400
Monaco	32,652	32,652			0
Netherlands	4,087,480				4,087,480
New Zealand	917,234				917,234
Norway	2,015,540				2,015,540
Poland	2,484,547	2,484,547			0
Portugal	1,047,843	1,047,843			0
Romania	926,139				926,139
Russian Federation	5,539,025	1,500,000			4,039,025
San Marino	5,937	5,937			0
Slovak Republic	460,101	460,101			0
Slovenia	234,503				234,503
Spain	6,334,555	6,334,555			0
Sweden	2,585,472	2,585,472			0
Switzerland	3,366,160	3,366,160			0
Tajikistan	8,905				8,905
Ukraine	166,230				166,230
United Kingdom	12,986,728				12,986,728
United States of America	38,544,000	38,544,000			0
Uzbekistan	80,147				80,147
TOTAL	175,199,999	80,791,284	0		94,408,715
Disputed Contributions					0
TOTAL	175,199,999	80,791,284	0		94,408,715

CEITs	11,790,464	6,261,305	0		5,529,159
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 6 : Status of Contributions for 2021-2023 (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	38,976	38,976	0		0
Australia	17,227,482	16,675,094	552,388		0
Austria	5,277,378	4,590,376	391,833		295,169
Azerbaijan	381,967	0	0		381,967
Belarus	381,967	384,309	0		-2,342
Belgium	6,399,893	6,399,893	0		0
Bulgaria	358,581	358,581	0		0
Canada	21,312,188	21,211,315	0		100,873
Croatia	600,234	600,234	0		0
Cyprus	280,629	280,629	0		0
Czech Republic	2,424,320	2,424,320	0		0
Denmark	4,318,563	4,318,563	0		0
Estonia	304,014	304,014	0		0
Finland	3,281,796	3,281,796	0		0
France	34,509,531	33,819,417	690,114		0
Germany	47,473,016	37,978,413	9,494,603		0
Greece	2,853,058	2,853,058	0		0
Holy See	7,795	7,795	0		0
Hungary	1,605,820	1,605,820	0		0
Iceland	218,267	0	0		218,267
Ireland	2,892,034	2,892,034	0		0
Israel	3,819,668	0	0		3,819,668
Italy	25,778,861	25,514,021	264,840		0
Japan	66,758,442	66,389,610	368,832		0
Kazakhstan	1,387,553	100,000	0		1,287,553
Latvia	366,376	366,376	0		0
Liechtenstein	70,157	70,157	0		0
Lithuania	553,462	553,462	0		0
Luxembourg	522,281	522,281	0		0
Malta	132,519	0	0		132,519
Monaco	85,748	85,748	0		0
Netherlands	10,570,347	10,570,347	0		0
New Zealand	2,268,415	2,268,415	0		0
Norway	5,877,612	5,877,612	0		0
Poland	6,251,783	6,251,783	0		0
Portugal	2,728,334	2,728,334	0		0
Romania	1,543,458	443,942	0		1,099,516
Russian Federation	18,747,554	1,500,000	0		17,247,554
San Marino	15,590	15,591	0		-1
Slovak Republic	1,192,672	1,192,672	0		0
Slovenia	592,438	592,438	0		0
Spain	16,728,587	16,728,587	0		0
Sweden	7,062,488	7,062,488	0		0
Switzerland	8,972,322	8,972,322	0		0
Tajikistan	31,181	0	0		31,181
Ukraine	444,329	0	0		444,329
United Kingdom	35,600,865	35,600,865	0		0
United States of America	103,214,768	103,214,767	0		1
Uzbekistan	249,448	167,900	0		81,548
TOTAL	473,714,767	436,814,356	11,762,610		25,137,801
Disputed Contributions*	1,285,232	0	0		1,285,232
TOTAL	474,999,999	436,814,356	11,762,610		26,423,033

* Additional amount on disputed contributions from the United States of America.

CEITs	35,273,465	15,435,300	0		19,838,165
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 7 : Status of Contributions for 2023 (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,992	12,992			0
Australia	5,742,494	6,371,886	552,388		-1,181,780
Austria	1,759,126	1,415,621			343,505
Azerbaijan	127,322				127,322
Belarus	127,322	129,665			-2,343
Belgium	2,133,298	1,820,103			313,195
Bulgaria	119,527	131,915			-12,388
Canada	7,104,063	6,939,023			165,039
Croatia	200,078	97,650			102,428
Cyprus	93,543	58,173			35,370
Czech Republic	808,107	690,320			117,787
Denmark	1,439,521	1,306,566			132,955
Estonia	101,338	58,241			43,097
Finland	1,093,932	1,093,923			9
France	11,503,177	11,503,177			0
Germany	15,824,339	12,861,009	924,834		2,038,496
Greece	951,019	683,308			267,711
Holy See	2,598	2,599			-1
Hungary	535,273	757,369			-222,096
Iceland	72,756				72,756
Ireland	964,011	964,003			8
Israel	1,273,223				1,273,223
Italy	8,592,954	8,592,877			77
Japan	22,252,814	24,871,335	67,800		-2,686,321
Kazakhstan	462,518				462,518
Latvia	122,125	107,640			14,485
Liechtenstein	23,386	23,385			1
Lithuania	184,487	180,760			3,727
Luxembourg	174,094	190,991			-16,897
Malta	44,173				44,173
Monaco	28,583	28,582			1
Netherlands	3,523,449	3,100,681			422,768
New Zealand	756,138	1,068,869			-312,731
Norway	1,959,204	2,178,456			-219,252
Poland	2,083,928	2,083,928			0
Portugal	909,445	700,180			209,265
Romania	514,486				514,486
Russian Federation	6,249,185				6,249,185
San Marino	5,197	5,197			0
Slovak Republic	397,557	364,788			32,769
Slovenia	197,479	157,790			39,689
Spain	5,576,196	4,085,805			1,490,391
Sweden	2,354,163	2,354,186			-23
Switzerland	2,990,774	1,919,582			1,071,192
Tajikistan	10,394				10,394
Ukraine	148,110				148,110
United Kingdom	11,866,955	12,792,603			-925,648
United States of America	34,514,874	34,514,874			0
Uzbekistan	83,149	55,200			27,949
TOTAL	158,014,874	146,275,253	1,545,022		10,194,599
Disputed Contributions*	318,459				318,459
TOTAL	158,333,333	146,275,253	1,545,022		10,513,058

* Additional amount on disputed contributions from the United States of America.

CEITs	11,635,696	4,609,976	0		7,025,720
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 8 : Status of Contributions for 2022 (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,992	10,817			2,175
Australia	5,742,494	5,151,604			590,890
Austria	1,759,126	1,415,621	391,833		-48,328
Azerbaijan	127,322				127,322
Belarus	127,322	113,477			13,845
Belgium	2,133,298	2,289,845			-156,547
Bulgaria	119,527	113,333			6,194
Canada	7,104,063	7,111,395			-7,332
Croatia	200,078	251,292			-51,214
Cyprus	93,543	111,228			-17,685
Czech Republic	808,107	867,000			-58,893
Denmark	1,439,521	1,505,999			-66,478
Estonia	101,338	98,394			2,944
Finland	1,093,932	1,007,992			85,940
France	11,503,177	10,433,663			1,069,514
Germany	15,824,339	5,540,479	4,253,137		6,030,723
Greece	951,019	951,024			-5
Holy See	2,598	2,598			0
Hungary	535,273	428,657			106,616
Iceland	72,756				72,756
Ireland	964,011	1,061,131			-97,120
Israel	1,273,223				1,273,223
Italy	8,592,954	7,488,030			1,104,924
Japan	22,252,814	24,395,165			-2,142,351
Kazakhstan	462,518				462,518
Latvia	122,125	129,368			-7,243
Liechtenstein	23,386	23,386			0
Lithuania	184,487	186,351			-1,864
Luxembourg	174,094	165,645			8,449
Malta	44,173				44,173
Monaco	28,583	28,583			0
Netherlands	3,523,449	3,734,833			-211,384
New Zealand	756,138	599,773			156,365
Norway	1,959,204	1,849,578			109,626
Poland	2,083,928	2,217,357			-133,429
Portugal	909,445	1,014,236			-104,791
Romania	514,486				514,486
Russian Federation	6,249,185				6,249,185
San Marino	5,197	5,197			0
Slovak Republic	397,557	413,942			-16,385
Slovenia	197,479	217,324			-19,845
Spain	5,576,196	6,321,391			-745,195
Sweden	2,354,163	2,493,780			-139,617
Switzerland	2,990,774	2,990,774			0
Tajikistan	10,394				10,394
Ukraine	148,110				148,110
United Kingdom	11,866,955	12,610,340			-743,385
United States of America	34,000,879	34,000,879			0
Uzbekistan	83,149	54,700			28,449
TOTAL	157,500,879	139,406,181	4,644,970		13,449,728
Disputed Contributions*	832,454				832,454
TOTAL	158,333,333	139,406,181	4,644,970		14,282,182

* Additional amount on disputed contributions from the United States of America.

CEITs	11,635,696	4,710,536	0		6,925,161
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 9 : Status of Contributions for 2021 (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,992	15,167			-2,175
Australia	5,742,494	5,151,604			590,890
Austria	1,759,126	1,759,134	0		-8
Azerbaijan	127,322				127,322
Belarus	127,322	141,167			-13,845
Belgium	2,133,298	2,289,945			-156,647
Bulgaria	119,527	113,333			6,194
Canada	7,104,063	7,160,896			-56,834
Croatia	200,078	251,292			-51,214
Cyprus	93,543	111,228			-17,685
Czech Republic	808,107	867,000			-58,893
Denmark	1,439,521	1,505,999			-66,478
Estonia	101,338	147,378			-46,040
Finland	1,093,932	1,179,881			-85,949
France	11,503,177	11,882,577	690,114		-1,069,514
Germany	15,824,339	19,576,925	4,316,632		-8,069,218
Greece	951,019	1,218,726			-267,707
Holy See	2,598	2,598			0
Hungary	535,273	419,794			115,479
Iceland	72,756				72,756
Ireland	964,011	866,900			97,111
Israel	1,273,223				1,273,223
Italy	8,592,954	9,433,114	264,840		-1,105,001
Japan	22,252,814	17,123,110	301,032		4,828,672
Kazakhstan	462,518	100,000			362,518
Latvia	122,125	129,368			-7,243
Liechtenstein	23,386	23,386			0
Lithuania	184,487	186,351			-1,864
Luxembourg	174,094	165,645			8,448
Malta	44,173				44,173
Monaco	28,583	28,583			0
Netherlands	3,523,449	3,734,833			-211,384
New Zealand	756,138	599,773			156,365
Norway	1,959,204	1,849,578			109,626
Poland	2,083,928	1,950,498			133,429
Portugal	909,445	1,013,918			-104,473
Romania	514,486	443,942			70,544
Russian Federation	6,249,185	1,500,000			4,749,185
San Marino	5,197	5,197			0
Slovak Republic	397,557	413,942			-16,385
Slovenia	197,479	217,324			-19,845
Spain	5,576,196	6,321,391			-745,195
Sweden	2,354,163	2,214,522			139,641
Switzerland	2,990,774	4,061,965			-1,071,191
Tajikistan	10,394				10,394
Ukraine	148,110				148,110
United Kingdom	11,866,955	10,197,922			1,669,033
United States of America	34,699,014	34,699,014			0
Uzbekistan	83,149	58,000			25,149
TOTAL	158,199,014	151,132,922	5,572,618	0	1,493,474
Disputed Contributions*	134,319				134,319
TOTAL	158,333,333	151,132,922	5,572,618	0	1,627,793

* Additional amount on disputed contributions from the United States of America.

CEITs	11,635,696	6,114,787	0	0	5,520,909
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 10 : Status of Contributions for **2018-2020 (US\$)**

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	45,501	45,501	0	0	0
Australia	17,669,001	17,247,737	421,264	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	38,948,149	9,660,801	0	-304,951
Greece	3,561,000	3,561,000	0	0	0
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	71,614,421	275,697	0	0
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	635,001	0	0	0
Spain	18,470,499	17,277,768	1,192,731	0	0
Sweden	7,227,999	7,227,999	0	0	0
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	107,570,053	107,570,053	0	0	0
Uzbekistan	174,000	116,000	0	0	58,000
TOTAL	496,274,667	478,141,867	13,681,572	0	4,451,228
Disputed Contributions*	3,725,331	0	0	0	3,725,331
TOTAL	499,999,998	478,141,867	13,681,572	0	8,176,559

*Additional amount on disputed contribution relates to the United States of America (US \$2,429,948) and Japan's disputed contribution (US \$1,295,383).

CEITs	40,221,501	36,183,833	0	0	4,037,668
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 11 : Status of Contributions for 2020 (US\$)

As at 24/05/2024

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,468,403	421,264		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	3,187,625		0
Greece	1,187,000	1,187,000			0
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	24,395,167			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	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	35,479,891	35,479,891			0
Uzbekistan	58,000	58,000			0
TOTAL	165,479,890	159,875,017	4,060,206	0	1,544,667
Disputed Contributions*	1,186,776				1,186,776
TOTAL	166,666,666	159,875,017	4,060,206	0	2,731,443

* Additional amount on disputed contributions from the United States of America.

CEITs	13,281,167	12,102,000	0	0	1,179,167
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 12 : Status of Contributions for 2019 (US\$)

As at 24/05/2024

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			0
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	161,894,503	2,480,673	0	1,239,727
Disputed Contributions*	1,051,763				1,051,763
TOTAL	166,666,666	161,894,503	2,480,673	0	2,291,490

* Additional amount on disputed contributions from the United States of America.

CEITs	13,281,167	12,102,000	0	0	1,179,167
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 13 : Status of Contributions for 2018 (US\$)

As at 24/05/2024

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	11,028,533	5,072,800		0
Greece	1,187,000	1,187,000			0
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	156,372,347	7,140,693	0	1,666,834
Disputed Contributions*	1,486,792				1,486,792
TOTAL	166,666,666	156,372,347	7,140,693	0	3,153,626

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

CEITs	13,281,167	11,979,833	0	0	1,301,334
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Annex II

UNIVERSAL PROJECT COMPLETION REPORT FORMAT FOR INDIVIDUAL AND MULTI-YEAR AGREEMENT PROJECTS

SECTION 1: PROJECT OVERVIEW

1.1	COUNTRY:			
1.2	PROJECT:	Number (as per inventory): Agreement title:		
1.3	EXECUTIVE COMMITTEE MEETING:	Relevant decision(s):		
1.4	ADDRESS(ES) OF ENTERPRISE(S) AND PROJECT SITE(S), IF APPLICABLE:			
1.5	DATE OF APPROVAL OF THE PROJECT:			
1.6	DATE OF COMPLETION:	APPROVED		ACTUAL
1.7	HCFCs PHASED-OUT (ODP tonnes):			
1.8	HFCs PHASED-DOWN (CO ₂ eq-tonnes):			
1.9	MULTILATERAL FUND (MLF) FUNDING:	APPROVED	DISBURSED	RETURNED
a.	Lead Agency:			
b.	Cooperating Agency (ies):			
c.	Total MLF funding:			
1.10	INDICATE WHETHER THE FINANCIAL FIGURES ARE:	<input type="checkbox"/> Provisional		<input type="checkbox"/> Final
	Explanations if needed:			
1.11	CONVERSION/ALTERNATIVE TECHNOLOGY USED:	From:	To:	
a.	Number of enterprises:			
1.12	TOTAL NUMBER OF TRAINEES (e.g., TECHNICIANS) (*):	Male		Female
1.13	ALL PROJECT GOALS ACHIEVED (**):	<input type="checkbox"/> Yes		<input type="checkbox"/> No
	If no, please provide a brief explanation:			
1.14	PROJECT COMPLETION DELAY (MONTHS):			
1.15	COMPLETION REPORT DONE BY:	Agency name		Date
a.	Lead Agency:			
b.	Cooperating Agency:			
c.	National coordinating agency/ National ozone unit (NOU):			
d.	Local executing agency:			
e.	Other:			

(*) Details available in section 2.1

(**) Details available in section 2.2

SECTION 2: PROJECT RESULTS: OVERALL ASSESSMENT HIGHLIGHTS

Section 2.1: Implementation effectiveness (achievement of activity output)

Agency	Type of activity Type of sector*	Planned output(s)	Actual activity output(s)	Additional remarks, if applicable:

*Add sectors and activities as defined in the project proposal and planned outputs

Section 2.2: Overall assessment (achievement of project objective)

Please select your assessment of the overall impact of the project from the list below, explain the rationale for your assessment and provide a summary highlighting the key project results in relation to overall outputs, impact, sustainability of achievement, and other criteria.

Lead Agency/ Cooperating Agency	Choose from list	Please explain your rating
	<input type="checkbox"/> Highly satisfactory <input type="checkbox"/> Satisfactory as planned <input type="checkbox"/> Satisfactory but not as planned <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Other, please specify	

Section 2.3: Comments

- Implementing agency
- Government/NOU
- Stakeholders if applicable (there would be a scroll-down list of possible partners to be considered), such as:
 - Enterprises
 - Consultants
 - Project management officers in the Multilateral Fund Secretariat
 - Other, please specify.

SECTION 3: CAUSES OF DELAYS AND ACTION TAKEN

Select two or more from the list of causes of delays and describe the causes of implementation delays and actions taken:

Lead Agency/ Cooperating Agency	Cause of delay	Description of cause of delay	Action taken
	Lead/Cooperating Agency		
	Due to governmental delays (structure changes of NOU, ministry and/or institution)		
	Project design, preparation and implementation process (timeframe, beneficiaries' profile (e.g., gender participation, beneficiaries' skills, etc.)		
	Procurement delay (Enterprise and supplier delays)		
	Policy and regulatory framework (e.g., relevant legislation, etc.)		

Lead Agency/ Cooperating Agency	Cause of delay	Description of cause of delay	Action taken
	Exogenous factors (beyond the control of the implementers, such as natural disasters, political instability, pandemics, etc.)		
	Availability of alternative technology		
	Funding process (delays in funding following tranches, low disbursement of funds)		
	Other (describe)		

SECTION 4: LESSONS LEARNED

Section 4.1: Select two or more from the list of lessons learned and provide a succinct description of the lessons learned indicating their utility for project design, project implementation and evaluation.

Lead Agency/ Cooperating Agency	Lessons learned	Description
	Regional context	
	National policy framework	
	Engagement of national stakeholders (civil society, private sector, etc.)	
	Technical aspects: <input type="checkbox"/> Technical/equipment issues <input type="checkbox"/> Availability of alternative technologies	
	Sectoral lessons	
	Customs and imports	
	Capacity-building and training	
	Project design and impact on implementation	
	Energy efficiency	
	Climate benefits	
	Disposal	
	Recovery, recycling and reclamation	
	Data availability and accuracy	
	Sustainability of achievements (factors to ensure it)	
	Exogenous factors (beyond the control of the implementers, such as natural disasters, political instability, pandemics, etc.)	
	Contribution to sustainable development goals (SDGs)	
	Gender (as per the Multilateral Fund's operational policy)	
	Other (please specify)	

Section 4.2: As part of the lessons learned from the challenges/good practices identified during project implementation, please suggest recommendations for future project design and implementation (no more than 600 characters).

SECTION 5: GENDER MAINSTREAMING

Referring to the required indicators in annex II of the Operational policy on gender mainstreaming for the Multilateral Fund¹ and to streamline reporting requirements, please describe how the different phases of the project cycle met the gender mainstreaming indicators.

¹ UNEP/OzL.Pro/ExCom/92/51

Section 5.1

Lead Agency/Cooperating Agency	Project cycle phase	Based on indicators as per Annex II in document UNEP/OzL.Pro/ExCom/92/51
	Project preparation	
	Planning/Formulation	
	Implementation	
	Monitoring and Reporting	

Section 5.2

Please provide the narrative supportive information to complement section 5.1.

Lead Agency/Cooperating Agency	Project cycle phase	Qualitative description
	Project preparation	
	Planning/Formulation	
	Implementation	
	Monitoring and Reporting	

SECTION 6: CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (Optional)

Please select from the scroll-down list below and describe the project's contribution:

Lead Agency/Cooperating Agency	SDGs (MLF²)	Description of contribution

² UNEP/OzL.Pro/ExCom/93/103

SECTION 7: SUMMARY OF KEY DATA ON PROJECT IMPLEMENTATION AND DELAYS IN IMPLEMENTATION

Agency	Project number	Sector	Tranche (s)*	Date approved	Planned date of completion	Funds approved	Funds disbursed	Planned duration (months)	Actual duration (months)	Delay (months)
Additional remarks, if applicable:										

* Please indicate if several tranches were approved at the same time, e.g. tranches: 1, 2.

SECTION 8: OTHER SUPPORTING EVIDENCE

Upload/attach documents, photos, files, or link addresses to websites or repositories of information. Each piece of supporting evidence will also have a space for indicating the rationale for its inclusion and the section of the project completion report to which it is related.

Annex III

**PROJECTS THAT ARE CLASSIFIED AS “SOME PROGRESS” AND
ARE RECOMMENDED FOR CONTINUED MONITORING**

Country	Code	Project title	Agency
Afghanistan	AFG/PHA/79/INV/22	HCFC phase-out management plan (stage I, third tranche)	UNIDO
Afghanistan	AFG/PHA/85/INV/28	HCFC phase-out management plan (stage I, fourth tranche)	UNIDO
Afghanistan	AFG/PHA/85/INV/30	HCFC phase-out management plan (stage II, first tranche)	UNIDO
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)	UNIDO
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)	UNIDO
Barbados	BAR/PHA/84/TAS/29	HCFC phase-out management plan (stage I, third tranche)	UNEP
Botswana	BOT/PHA/82/INV/21	HCFC phase-out management plan (stage I, second tranche)	UNIDO
Botswana	BOT/PHA/86/INV/27	HCFC phase-out management plan (stage II, first tranche)	UNIDO
Cameroon	CMR/PHA/82/INV/45	HCFC phase-out management plan (stage II, first tranche)	UNIDO
Dominica	DMI/PHA/62/TAS/19	HCFC phase-out management plan (stage I, first tranche)	UNEP
Dominica	DMI/PHA/84/TAS/25	HCFC phase-out management plan (stage I, second tranche)	UNEP
Dominica	DMI/PHA/86/TAS/26	Verification report on the implementation of stage I of the HCFC phase-out management plan	UNEP
Guyana	GUY/PHA/83/TAS/31	HCFC phase-out management plan (stage II, second tranche)	UNEP
Indonesia	IDS/PHA/81/INV/213	HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector)	UNDP
Jamaica	JAM/PHA/86/INV/43	HCFC phase-out management plan (stage II, first tranche)	UNDP
Mexico	MEX/PHA/77/INV/180	HCFC phase-out management plan (stage II, second tranche) (cleaning agent phase-out in refrigeration servicing sector)	Spain
Mexico	MEX/PHA/77/INV/185	HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector)	Spain
Mexico	MEX/PHA/81/TAS/190	HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	Spain
Mozambique	MOZ/PHA/83/INV/31	HCFC phase-out management plan (stage I, third and fourth tranches)	UNIDO
Pakistan	PAK/PHA/76/INV/94	HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	UNIDO
Pakistan	PAK/PHA/83/INV/102	HCFC phase-out management plan (stage II, second tranche) (polyurethane foam sector)	UNIDO
Pakistan	PAK/PHA/83/TAS/100	HCFC phase-out management plan (stage II, second tranche) (project management unit)	UNIDO

Annex IV

**PROJECTS THAT ARE CLASSIFIED AS “NO PROGRESS” AND
ARE RECOMMENDED FOR CONTINUED MONITORING**

Country	Code	Project Title	Agency
Jordan	JOR/REF/81/INV/103	Conversion of large commercial unitary roof top air-conditioning units of up to 400kW manufacturing facility from HFC (R-134a, R-407c, R-410a) to propane R290 as refrigerant at Petra Engineering Industries Co.	UNIDO
Seychelles	SEY/PHA/70/INV/19	HCFC phase-out management plan (second tranche)	Germany
Sudan (the)	SUD/PHA/75/INV/38	HCFC phase-out management plan (stage II, first tranche) (foam sector)	UNIDO

Annex V

PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS ARE REQUESTED

Country	Code	Project Title	Agency	Recommendation
Algeria	ALG/SEV/90/INS/87	Extension of the institutional strengthening project (phase VII: 7/2022-6/2024)	UNEP	To request UNEP to submit a status report to the 95 th meeting on implementation progress of activities
Antigua and Barbuda	ANT/PHA/73/PRP/17	Preparation of a HCFC phase-out management plan (stage II)	UNEP	To request UNEP to submit a status report to the 95 th meeting on progress in preparation of stage II of the HPMP
Namibia	NAM/PHA/79/INV/23	HCFC phase-out management plan (third tranche)	Germany	To request the Government of Germany to submit a status report to the 95 th meeting on implementation progress of activities
Sao Tome and Principe	STP/PHA/81/PRP/28	Preparation of a HCFC phase-out management plan (stage II)	UNEP	To request UNEP to submit a status report to the 95 th meeting on progress in preparation of stage II of the HPMP
Seychelles	SEY/PHA/75/INV/23	HCFC phase-out management plan (third tranche)	Germany	To request the Government of Germany to submit a status report to the 95 th meeting on implementation progress of activities
South Sudan	SSD/SEV/76/INS/03	Institutional strengthening project (phase I: 5/2016-4/2018)	UNEP	To request UNEP to submit a status report to the 95 th meeting on implementation progress of activities
Sudan (the)	SUD/PHA/88/INV/48	HCFC phase-out management plan (stage III, first tranche)	UNIDO	To request UNIDO to submit a status report to the 95 th meeting on implementation progress of activities

Annex VI

OVERARCHING PRINCIPLES FOR THE IMPLEMENTATION MODALITY OF MULTILATERAL FUND PROJECTS IN CHINA

**Submitted by the Government of China through UNDP, as lead implementing agency
for stage II of the HCFC phase-out management plan**

General principles

- (a) The implementation procedures established for Multilateral Fund projects are governed by the relevant implementing agencies' rules and procedures. According to these rules, each implementing agency maintains oversight responsibilities for project execution performance ensuring the proper allocation of funds (as per Multilateral Fund policies), and compliance with the Agreement with the Executive Committee.
- (b) In addition, specific administrative, financial, and operational procedures must follow national regulations governing technical cooperation projects, as mandated by the Ministry of Finance of China, along with other relevant policies, rules, and regulations within the country.

Funds management

- (c) With the exception of the World Bank, all other sector plans funded by the Multilateral Fund for China are managed by the Foreign Economic Cooperation Office (FECO)/Ministry of Ecology and Environment (MEE) using a national account in renminbi (RMB), therefore RMB will be used as the bookkeeping currency.
- (d) The funding approval schedule for sector plans in the Agreement with the Executive Committee is in United States (US) dollar amounts. Funds transferred from the relevant implementing agencies to FECO/MEE will be converted into RMB and transferred to FECO's bank account based on the actual conversion exchange rate provided by the bank.

Reporting of disbursements and balances

- (e) Unlike the previous reporting practice where only estimated balances in US dollar amounts were reported in tranche progress reports, FECO will now provide disbursement figures (expenditures) in both RMB and US dollars in future progress reports and tranche requests. The disbursements in US dollars will be calculated using the exchange rate at the time when the funds were transferred from the implementing agency to FECO.
- (f) In the case where there were multiple transfers, a weighted average exchange rate of the multiple transfers will be used to reflect expenditures in US dollars. UNDP will coordinate with the auditor to ensure the same methodology is used in the audit report, aiming to minimize discrepancies between the audit report and the progress report.

Improving the funds transfer schedule from implementing agencies to FECO

- (g) Implementing agencies will collaborate with FECO to improve the current funds transfer schedule, aiming to prevent the accumulation of large balances in FECO's RMB account and thereby mitigate exchange rate risk. The respective implementing agencies and FECO will agree upon a limit for a maximum amount of each transfer based on the

implementation plan of the specific sector. For the ICR sector, the proposed limit is set at 5 to 25 per cent of the tranche for each payment.

- (h) In addition to the milestones set in the current implementation agreement established between implementing agencies and FECO, an estimated disbursement plan will also be agreed upon for a specific number of months based on the enterprise conversions and disbursement plans. This aims to optimize the payment schedule based on the best estimates against the conversion milestones of the enterprises. For the ICR sector, the proposed period is set at 3 to 6 months.
- (i) In principle, implementing agencies will withhold payments if there are sufficient funds in FECO's account for the committed payments in the upcoming number of months. Each payment from an implementing agency to FECO should not exceed an agreed percentage of the tranche (which will, in turn, be commensurate with the Conversion Plan and Disbursements Plan from FECO to the enterprises).

Last payment of the funding from implementing agencies to FECO

- (j) To facilitate the potential return of balances unspent by the end of the implementation, implementing agencies will withhold the last payment until there is a clear report from FECO on the amount of funds that will be disbursed in the agreed time frame and estimated balance of the entire project. The final payment from an implementing agency to FECO should cover the committed amounts and will be disbursed accordingly. Any final remaining balances should stay in the implementing agencies' account for return to the Multilateral Fund.

Annex VII

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

Country	Views expressed by the Executive Committee
Algeria (Stage I)	Noting the enterprise delays due to the challenges in the manufacturing of air-conditioning units based on HFC-32 and that the Government of Algeria would not request the remaining tranches of stage I of the HCFC phase-out management plan (HPMP) (third (2014) and fourth (2017))* and urging the Government of Algeria to submit a detailed report on all remaining ongoing activities under stage I of the HPMP to the 95 th meeting.
Argentina (Control of emissions of HFC-23 generated in the production of HCFC-22 in Frio Industrias Argentina)	Noting the delays due to delivery of equipment and urging the Government of Argentina to work with UNIDO so that the second (2024) tranche of the project for the control of emissions of HFC-23 generated in the production of HCFC-22 in Frio Industrias Argentina could be submitted to the 95 th meeting.
Bahrain (Stage II)	Noting that the overall disbursement rate of the second (2023) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Bahrain to work with UNEP and UNIDO so that the third (2024) tranche of stage II of the HPMP could be submitted to the 95 th meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Botswana (Stage II)	Noting the delays due to the changes in the NOU, and urging the Government of Botswana to work with UNEP and UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches.
Democratic Republic of the Congo (the) (Stage II)	Noting that the overall disbursement rate of the first (2021) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of the Democratic Republic of the Congo to work with UNEP and UNDP so that the second (2024) tranche of stage II of the HPMP could be submitted to the 95 th meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Dominica (Stage I)	Noting the delays due to the changes in the NOU and non-submission of the progress and financial reports, and that the mandatory verification on HCFC consumption targets had not been completed, and urging the Government of Dominica 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 of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Ethiopia (Stage II)	Noting the delays in implementation of activities by the Government, and urging the Government of Ethiopia to work with UNEP and UNIDO so that the second (2024) tranche of stage II of the HPMP could be submitted to the 95 th meeting.
Georgia (Stage II)	Noting the delays due to the fact that the mandatory verification on HCFC consumption targets had not been completed, and urging the Government of Georgia to work with UNDP to complete the verification so that the second (2024) tranche of stage II of the HPMP could be submitted to the 95 th meeting.
Ghana (Stage II)	Noting the delays in the implementation of activities and that the Government of Ghana had decided to submit the second (2024) tranche request to the 95 th meeting, and urging the Government of Ghana to work with UNDP and UNEP so that the second (2024) tranche of stage II of the HPMP could be submitted to the 95 th meeting.
Iraq (Stage II)	Noting the delays due to the cooperating agency not being ready for submission, and urging the Government of Iraq to work with UNEP and UNIDO so that the second (2022) and third (2023) tranches of stage II of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2022 and subsequent tranches.

Country	Views expressed by the Executive Committee
Kenya (Stage II)	Noting that the overall disbursement rate of the second (2020) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Kenya to work with the Government of France so that the third (2023) tranche of stage II of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Kuwait (Stage II)	Noting the delays due to the non-submission of the progress and financial reports and that the overall disbursement rate of the first (2021) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Kuwait to submit the required progress and financial reports and to work with UNEP and UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Mauritius	Noting that the overall disbursement rate of the fourth (2020) tranche of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Mauritius to work with the Government of Germany so that the fifth (2023) tranche of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Nepal (Stage II)	Noting the delays due to procurement and the changes in the NOU, and urging the Government of Nepal to work with UNEP and UNDP so that the second (2023) tranche of stage II of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches.
Pakistan (Stage III)	Noting that the overall disbursement rate of the first (2022) tranche of stage III of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Pakistan to work with UNIDO and UNEP so that the second (2024) tranche of stage III of the HPMP could be submitted to the 95 th meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Senegal (Stage II)	Noting the delays due to internal or external difficulties on supply chain issues post-COVID-19 pandemic and that there are sufficient funds from the previous tranche approved, and urging the Government of Senegal to work with UNEP and UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches.
Syrian Arab Republic (Stage I)	Noting that the overall disbursement rate of the second (2022) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Syrian Arab Republic to work with UNEP and UNIDO so that the third (2024) tranche of stage I of the HPMP could be submitted to the 95 th meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.

* Based on the letter received from the Government of Algeria on 15 April 2024.

Annex VIII

**DRAFT DECISION ON AGENDA ITEM 9(a):
OVERVIEW OF ISSUES IDENTIFIED DURING PROJECT REVIEW**

Submitted by the Government of Canada

Clarification of Secretariat practices with regard to Kigali HFC implementation plans

1. The Executive Committee decided:
 - (a) To note the approach used by the Secretariat since the 93rd meeting for calculating the reductions of HFC consumption eligible for funding to be deducted from the starting point and the cost of HFC phase-down in the refrigeration servicing sector in stage I of the Kigali HFC Implementation Plan (KIP) of non-low-volume-consuming (LVC) countries and agree that this approach should continue to be applied in stage I of the KIPs for non-LVC countries.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
AFGHANISTAN						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Afghanistan				\$90,000	\$6,300	\$96,300
ANGOLA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNDP			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
Total for Angola				\$30,000	\$2,700	\$32,700
ARMENIA						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		17	\$66,000	\$8,580	\$74,580
<i>Approved, in principle, stage I of the KIP for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029. Noted that, if the revision of the HFC consumption data for 2020 to 2022 were approved by the 36th Meeting of the Parties, the funding approved in principle, as well as the tranche funding levels, and the targets would be revised accordingly at the 95th meeting. Noted that the Government would implement the following regulatory measures: a ban on the import of domestic refrigerators and freezers containing HFCs with a GWP of 150 or higher, by 1 January 2027; a ban on the import of commercial refrigeration equipment containing HFCs with a GWP of 2,500 or higher, by 1 January 2027; a ban on the import of moveable room air-conditioning units containing HFCs with a GWP of 800 or higher and on split air conditioners containing less than 3 kg of fluorinated gases with a GWP of 800 or higher, by 1 January 2027; a ban on domestic trade in HFCs in non-refillable containers, by 1 January 2028; a ban on the import of stationary refrigeration equipment containing or relying on HFCs with a GWP of 2,500 or higher, by 1 January 2029; and Requested the Government, UNIDO, UNEP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		26	\$99,075	\$12,880	\$111,955
<p><i>Approved, in principle, stage I of the KIP for the period 2024–2029 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029. Noted that, if the revision of the HFC consumption data for 2020 to 2022 were approved by the 36th Meeting of the Parties, the funding approved in principle, as well as the tranche funding levels, and the targets would be revised accordingly at the 95th meeting. Noted that the Government would implement the following regulatory measures: a ban on the import of domestic refrigerators and freezers containing HFCs with a GWP of 150 or higher, by 1 January 2027; a ban on the import of commercial refrigeration equipment containing HFCs with a GWP of 2,500 or higher, by 1 January 2027; a ban on the import of moveable room air-conditioning units containing HFCs with a GWP of 800 or higher and on split air conditioners containing less than 3 kg of fluorinated gases with a GWP of 800 or higher, by 1 January 2027; a ban on domestic trade in HFCs in non-refillable containers, by 1 January 2028; a ban on the import of stationary refrigeration equipment containing or relying on HFCs with a GWP of 2,500 or higher, by 1 January 2029; and Requested the Government, UNIDO, UNEP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
Total for Armenia			44	\$165,075	\$21,460	\$186,535
BAHAMAS						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<p><i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i></p>						
Total for Bahamas				\$30,000	\$3,900	\$33,900
BAHRAIN						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XII: 6/2024-5/2027)	UNEP			\$180,000	\$0	\$180,000
Total for Bahrain				\$180,000		\$180,000

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
BANGLADESH						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche)	UNDP		8.1	\$630,324	\$44,123	\$674,447

Noted that the Government would implement a prohibition on import and manufacturing of residential air conditioners using HCFC-22 by 1 July 2025; that the enterprise Unitech Products had withdrawn from the conversion project in the manufacturing sector and that the funds associated with its conversion in the amount of US \$440,880, plus agency support costs of US \$30,862 would be deducted from the approval for UNDP of the third tranche of stage II of the HPMP; the request from UNEP to release in advance of the scheduled date, the funding associated with the fourth and final tranche of stage II of the HPMP, which was due at the last meeting of 2025, in the amount of US \$54,280, plus agency support costs of US \$6,986; and that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the advancement of the 2025 tranche by a year, and the deduction of funds from the third tranche referred to above; and paragraph 17 that had been updated to indicate that the revised updated Agreement superseded that reached at the 90th meeting. Noted also that all the enterprises funded under the air-conditioning sector conversion project, excluding Unitech Products, would continue to manufacture air conditioners using R-290/HFC-32 as the refrigerant, at least at the quantities equivalent to the manufacturing capacity of the air conditioners at the respective plants funded under that project; and that the Government, through UNDP, would report the number of air conditioners using R-290/HFC-32 as the refrigerant, excluding Unitech Products, that were manufactured each year during the period 2025-2027 by each of the enterprises funded under the air-conditioning sector conversion project, doing so at the first meeting of every following year. Requested the Government, UNDP and UNEP to submit on a yearly basis, progress reports on the implementation of the work programme associated with the final tranche through completion of the project and verification reports until approval of stage III.

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, third tranche) <i>Noted that the Government would implement a prohibition on import and manufacturing of residential air conditioners using HCFC-22 by 1 July 2025; that the enterprise Unitech Products had withdrawn from the conversion project in the manufacturing sector and that the funds associated with its conversion in the amount of US \$440,880, plus agency support costs of US \$30,862 would be deducted from the approval for UNDP of the third tranche of stage II of the HPMP; the request from UNEP to release in advance of the scheduled date, the funding associated with the fourth and final tranche of stage II of the HPMP, which was due at the last meeting of 2025, in the amount of US \$54,280, plus agency support costs of US \$6,986; and that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the advancement of the 2025 tranche by a year, and the deduction of funds from the third tranche referred to above; and paragraph 17 that had been updated to indicate that the revised updated Agreement superseded that reached at the 90th meeting. Noted also that all the enterprises funded under the air-conditioning sector conversion project, excluding Unitech Products, would continue to manufacture air conditioners using R-290/HFC-32 as the refrigerant, at least at the quantities equivalent to the manufacturing capacity of the air conditioners at the respective plants funded under that project; and that the Government, through UNDP, would report the number of air conditioners using R-290/HFC-32 as the refrigerant, excluding Unitech Products, that were manufactured each year during the period 2025-2027 by each of the enterprises funded under the air-conditioning sector conversion project, doing so at the first meeting of every following year. Requested the Government, UNDP and UNEP to submit on a yearly basis, progress reports on the implementation of the work programme associated with the final tranche through completion of the project and verification reports until approval of stage III.</i>	UNEP			\$174,680	\$22,482	\$197,162
Total for Bangladesh		8.1		\$805,004	\$66,605	\$871,609
BARBADOS						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan <i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>	UNEP			\$30,000	\$3,900	\$33,900
Total for Barbados				\$30,000	\$3,900	\$33,900

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
BELIZE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNEP	0.5		\$88,250	\$11,473	\$99,723
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, that had been added to indicate that the updated Agreement superseded that reached at the 87th meeting.</i>						
HCFC phase-out management plan (stage II, second tranche)	UNDP	0.4		\$58,146	\$5,233	\$63,379
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, that had been added to indicate that the updated Agreement superseded that reached at the 87th meeting.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
HFC PHASE-DOWN						
Servicing						
Preparation of a Kigali HFC implementation plan (stage I)	UNEP			\$91,000	\$11,830	\$102,830
Preparation of a Kigali HFC implementation plan (stage I)	UNDP			\$39,000	\$2,730	\$41,730
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP	0.3		\$100,000	\$13,000	\$113,000
Total for Belize		1.2		\$456,396	\$54,666	\$511,062

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO ₂ -eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
BOSNIA AND HERZEGOVINA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNIDO	1.0		\$297,794	\$20,846	\$318,640
Total for Bosnia and Herzegovina		1.0		\$297,794	\$20,846	\$318,640
BOTSWANA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Botswana				\$90,000	\$6,300	\$96,300
BRAZIL						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, first tranche) (PMU)	UNIDO			\$211,587	\$14,811	\$226,398
HCFC phase-out management plan (stage III, first tranche) (PMU)	UNDP			\$402,000	\$28,140	\$430,140

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, sixth tranche)	Germany	24.8		\$872,727	\$97,129	\$969,856

Noted that the systems house U-Tech had withdrawn from stage II of the HPMP and UNDP would continue assisting the downstream users associated with U-Tech with the adoption of a low-GWP technology in the froth application, on the understanding that any incremental operational costs related to the conversions, where applicable, would not be paid until the technology originally selected or another low-GWP technology had been fully introduced; that UNIDO would reallocate US \$60,000 from the commercial refrigeration project to the project monitoring unit; that 0.69 ODP tonnes would be deducted from the remaining eligible consumption of HCFC-22 associated with the increase in the project monitoring unit costs referred to above; that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the reduction of the remaining eligible consumption; and paragraph 16, to indicate that the revised updated Agreement superseded that reached at the 91st meeting. Requested the Government, UNDP, UNIDO and Germany to submit: a progress report on the implementation of the work programmes associated with the final tranche to the 96th meeting, and project completion reports to the second meeting of the Executive Committee in 2026; and as part of the progress report referred to above, the complete list of downstream foam enterprises assisted by the Multilateral Fund under stage II of the HPMP, including their HCFC-141b consumption phased out, the subsector, and technology adopted. Approved, on the understanding that UNDP, as the lead agency, had committed to submitting, by June 2024, an updated verification report that included 2023 consumption data.

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
<p>HCFC phase-out management plan (stage III, first tranche)</p> <p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely and to ban the imports of HCFCs 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; that upon completion of the end-user projects on chillers, air-conditioning units, commercial refrigeration units and industrial refrigeration units included in stage III of the HPMP, UNDP and UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved; 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 period 2030–2040; and if Brazil 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. Deducted 641.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; and requested UNDP to include in the progress report to be submitted with the request of the second tranche of stage III, information about the end-user incentive mechanisms established within the demonstration projects on chillers and air-conditioning units.</i></p>	Germany	54.8		\$2,709,081	\$300,919	\$3,010,000

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
<p>HCFC phase-out management plan (stage III, first tranche)</p> <p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely and to ban the imports of HCFCs 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; that upon completion of the end-user projects on chillers, air-conditioning units, commercial refrigeration units and industrial refrigeration units included in stage III of the HPMP, UNDP and UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved; 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 period 2030–2040; and if Brazil 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. Deducted 641.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; and requested UNDP to include in the progress report to be submitted with the request of the second tranche of stage III, information about the end-user incentive mechanisms established within the demonstration projects on chillers and air-conditioning units.</i></p>	UNIDO	43.3		\$2,140,000	\$149,800	\$2,289,800

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
<p>HCFC phase-out management plan (stage III, first tranche)</p> <p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely and to ban the imports of HCFCs 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; that upon completion of the end-user projects on chillers, air-conditioning units, commercial refrigeration units and industrial refrigeration units included in stage III of the HPMP, UNDP and UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved; 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 period 2030–2040; and if Brazil 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. Deducted 641.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; and requested UNDP to include in the progress report to be submitted with the request of the second tranche of stage III, information about the end-user incentive mechanisms established within the demonstration projects on chillers and air-conditioning units.</i></p>	UNDP			\$4,608,039	\$322,563	\$4,930,602
	Total for Brazil	122.9		\$10,943,434	\$913,362	\$11,856,796

BURKINA FASO

PHASE-OUT PLAN

HCFC phase out plan

<p>Verification report on the implementation of stage II of the HCFC phase-out management plan</p> <p><i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i></p>	UNEP			\$30,000	\$3,900	\$33,900
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List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	Germany		157	\$162,500	\$21,125	\$183,625
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 30 per cent of the country's baseline by 2029. Noted: that the Government would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee; that, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines; that the reductions from the country's remaining HFC consumption eligible for funding referred to above would be deducted from the starting point; that, during the implementation of stage I of the KIP, the Government would be allowed, on an exceptional basis, to submit a project for the commercial refrigeration sector to achieve additional HFC reductions. Requested the Government of Germany, on behalf of the Government, to submit, for consideration at the 95th meeting, a detailed plan for the establishment of the refrigerant distribution centre, including a potential business model for ensuring the viability of the centre. Approved, on the understanding that no disbursement would be made towards the establishment of the refrigerant distribution centre until the Executive Committee considered, on an extraordinary basis, the plan referred to above; and requested the Government, the Government of Germany and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
Total for Burkina Faso			157	\$192,500	\$25,025	\$217,525
BURUNDI						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase X: UNEP 6/2024-5/2027)				\$180,000	\$0	\$180,000
Total for Burundi				\$180,000		\$180,000
CAMBODIA						
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
<p><i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i></p>						

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$120,000	\$15,600	\$135,600
<i>Approved, on the understanding that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 16 to indicate that the updated Agreement superseded that reached at the 70th meeting.</i>						
Total for Cambodia				\$240,000	\$31,200	\$271,200
CAMEROON						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of an HCFC phase-out management plan (stage III) (Overarching)	UNIDO			\$60,000	\$4,200	\$64,200
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XIV: 6/2024-5/2027)	UNEP			\$369,704	\$0	\$369,704
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities)	UNIDO			\$120,000	\$10,800	\$130,800
<i>Approved, noting that the Government had committed to the conditions referred to in decision 91/65(b)(iv) b. to (b)(iv) d.; and that the project would be operationally completed no later than 30 June 2026, and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Cameroon				\$549,704	\$15,000	\$564,704

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
CHAD						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XI: 7/2024-6/2027)	UNEP			\$180,000	\$0	\$180,000
Total for Chad				\$210,000	\$3,900	\$213,900
CHILE						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNDP			\$90,000	\$6,300	\$96,300
Total for Chile				\$90,000	\$6,300	\$96,300

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
CHINA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, fourth tranche) (room air-conditioning and heat pump water heaters (RAC) sector plan)	Austria	15.6		\$700,000	\$83,667	\$783,667
<p><i>Noted the agreed revision to the incremental operating cost incentive scheme for the RAC sector plan, as reflected in document UNEP/OzL.Pro/ExCom/94/29; that UNIDO would return to the 94th meeting US \$2,053,955, which had been calculated on an exceptional basis using the exchange rate on 13 May 2024, representing the remaining balances from stage I of the RAC sector plan, plus agency support costs of US \$148,765 for UNIDO; requested the Secretariat, in consultation with UNIDO, to present to the 97th meeting a document describing an approach to estimate the tonnage of possible HFCs phased in by Multilateral Fund-assisted enterprises to meet the demand associated with the HCFC-based manufacturing capacity converted to R-290 under the HPMP RAC sector plan; and approved, on the understanding that UNIDO and Austria would not transfer any of the approved funds to the Foreign Environmental Cooperation Centre of China until the Executive Committee had considered the report, to be submitted by UNDP, referred to in decision 94/11(b)(ii); that any unused incremental operating costs from stage II of the HPMP RAC sector plan would be returned to the Multilateral Fund taking into account sales of split R-290 air-conditioning units that had taken place before 31 December 2026; and that UNIDO would submit, to the 97th meeting, an update on consideration by the Government of China of the suggestions to facilitate the manufacturing of R-290 split air-conditioning units described in paragraph 32 of document UNEP/OzL.Pro/ExCom/94/29.</i></p>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, fourth tranche) (room air-conditioning and heat pump water heaters (RAC) sector plan)	UNIDO	366.0		\$6,300,000	\$441,000	\$6,741,000
<p><i>Noted the agreed revision to the incremental operating cost incentive scheme for the RAC sector plan, as reflected in document UNEP/OzL.Pro/ExCom/94/29; that UNIDO would return to the 94th meeting US \$2,053,955, which had been calculated on an exceptional basis using the exchange rate on 13 May 2024, representing the remaining balances from stage I of the RAC sector plan, plus agency support costs of US \$148,765 for UNIDO; requested the Secretariat, in consultation with UNIDO, to present to the 97th meeting a document describing an approach to estimate the tonnage of possible HFCs phased in by Multilateral Fund-assisted enterprises to meet the demand associated with the HCFC-based manufacturing capacity converted to R-290 under the HPMP RAC sector plan; and approved, on the understanding that UNIDO and Austria would not transfer any of the approved funds to the Foreign Environmental Cooperation Centre of China until the Executive Committee had considered the report, to be submitted by UNDP, referred to in decision 94/11(b)(ii); that any unused incremental operating costs from stage II of the HPMP RAC sector plan would be returned to the Multilateral Fund taking into account sales of split R-290 air-conditioning units that had taken place before 31 December 2026; and that UNIDO would submit, to the 97th meeting, an update on consideration by the Government of China of the suggestions to facilitate the manufacturing of R-290 split air conditioning units described in paragraph 32 of document UNEP/OzL.Pro/ExCom/94/29.</i></p>						
ENERGY EFFICIENCY						
Air conditioning						
Preparation for a pilot project on energy efficiency (decision 91/65)	UNDP			\$25,000	\$1,750	\$26,750
	Total for China	381.5		\$7,025,000	\$526,417	\$7,551,417
COLOMBIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, second tranche)	Germany			\$216,792	\$28,183	\$244,975
	Total for Colombia			\$216,792	\$28,183	\$244,975

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
COMOROS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.1		\$150,000	\$19,500	\$169,500
<i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs and no servicing tail would be needed. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030 and that HCFCs would not be imported after that date and to ban the import of HCFC-based equipment by 1 January 2027; deducted 0.09 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. Approved, on the understanding that UNEP would submit an updated verification report to include the 2023 consumption data by 30 June 2024.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XIII: 6/2024-5/2027)	UNEP			\$180,000	\$0	\$180,000
Total for Comoros		0.1		\$330,000	\$19,500	\$349,500
CONGO						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XII: 6/2024-5/2027)	UNEP			\$180,000	\$0	\$180,000
Total for Congo				\$180,000		\$180,000
CONGO, DR						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XI: 6/2024-5/2027)	UNEP			\$180,000	\$0	\$180,000
Total for Congo, DR				\$180,000		\$180,000

List of projects and activities approved for funding

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Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
COTE D'IVOIRE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	11.4		\$790,000	\$91,217	\$881,217
<p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government 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. Deducted 41.47 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 period 2030-2040; and if Côte d’Ivoire 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.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNIDO	8.7		\$601,000	\$42,070	\$643,070
<p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government 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. Deducted 41.47 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 period 2030-2040; and if Côte d’Ivoire 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.</i></p>						
Total for Cote D'Ivoire		20.1		\$1,391,000	\$133,287	\$1,524,287

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
CUBA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XIII: 12/2024-11/2027)	UNDP			\$394,965	\$27,648	\$422,613
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNDP			\$120,000	\$8,400	\$128,400
<p><i>Approved, on the understanding that: the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting; and upon completion of the technology demonstration project included in stage II of the HPMP, UNDP will submit a final report on the implementation of this project, in line with decision 92/36(g).</i></p>						
Total for Cuba				\$514,965	\$36,048	\$551,013
EGYPT						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of an HCFC phase-out management plan (stage III) (Overarching)	UNIDO			\$70,000	\$4,900	\$74,900
HCFC phase-out management plan (stage II, fourth tranche) (residential air-conditioning manufacturing sector)	UNIDO		9.0	\$1,510,098	\$105,707	\$1,615,805
<p><i>Approved the extension, to 31 October 2024, of the completion date of stage II of the HPMP (second tranche) (EGY/PHA/84/INV/142) to allow completion of the remaining ongoing activities; and approved the fourth tranche of stage II of the HPMP, on the understanding that UNIDO, on behalf of the Government, would submit the request for the remaining funding under the fourth tranche of US \$1,739,115, plus agency support costs of US \$121,738, for UNIDO at the same meeting at which stage I of the KIP was submitted or to the 96th meeting, whichever came first; and that the country would inform the Ozone Secretariat that it would not avail itself of the high-ambient temperature exemption prior to the submission of stage I of the KIP for the country.</i></p>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
<p>HCFC phase-out management plan (stage II, fourth tranche) (refrigeration servicing sector and project management)</p> <p><i>Approved the extension, to 31 October 2024, of the completion date of stage II of the HPMP (second tranche) (EGY/PHA/84/INV/142) to allow completion of the remaining ongoing activities; and approved the fourth tranche of stage II of the HPMP, on the understanding that UNIDO, on behalf of the Government, would submit the request for the remaining funding under the fourth tranche of US \$1,739,115, plus agency support costs of US \$121,738, for UNIDO at the same meeting at which stage I of the KIP was submitted or to the 96th meeting, whichever came first; and that the country would inform the Ozone Secretariat that it would not avail itself of the high-ambient temperature exemption prior to the submission of stage I of the KIP for the country.</i></p>	UNIDO	7.0		\$790,200	\$55,314	\$845,514
<p>HCFC phase-out management plan (stage II, fourth tranche) (refrigeration servicing sector)</p> <p><i>Approved the extension, to 31 October 2024, of the completion date of stage II of the HPMP (second tranche) (EGY/PHA/84/INV/142) to allow completion of the remaining ongoing activities; and approved the fourth tranche of stage II of the HPMP, on the understanding that UNIDO, on behalf of the Government, would submit the request for the remaining funding under the fourth tranche of US \$1,739,115, plus agency support costs of US \$121,738, for UNIDO at the same meeting at which stage I of the KIP was submitted or to the 96th meeting, whichever came first; and that the country would inform the Ozone Secretariat that it would not avail itself of the high-ambient temperature exemption prior to the submission of stage I of the KIP for the country.</i></p>	UNEP	2.1		\$180,000	\$21,506	\$201,506
	Total for Egypt	18.1		\$2,550,298	\$187,427	\$2,737,725

EL SALVADOR

HFC PHASE-DOWN

Servicing

<p>Kigali HFC implementation plan (stage I, first tranche)</p> <p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, on the understanding that the schedule, in particular rows 1.1 and 1.2, would be revised accordingly on the basis of the approval by the Thirty-Sixth Meeting of the Parties of the revision of the consumption data in the baseline years; and requested the Government, UNDP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>	UNDP		46	\$180,000	\$23,400	\$203,400
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List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities)	UNDP			\$125,000	\$11,250	\$136,250
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; and that the project would be operationally completed no later than 30 June 2027, and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for El Salvador			46	\$305,000	\$34,650	\$339,650
ERITREA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
Total for Eritrea				\$80,000	\$10,400	\$90,400
ESWATINI						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNDP		0.4	\$140,000	\$12,600	\$152,600
<i>Noted that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						
HCFC phase-out management plan (stage II, second tranche)	UNEP		0.2	\$120,000	\$15,600	\$135,600
<i>Noted that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		5	\$63,500	\$8,255	\$71,755
<i>Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by 10 per cent of the country's baseline by 2029. Noted that, upon completion of the end-user technology demonstration project included in stage I of the KIP, UNDP would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Requested the Government, UNEP, UNDP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template has been approved.</i>						
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$100,000	\$13,000	\$113,000
Total for Eswatini		0.6	5	\$423,500	\$49,455	\$472,955
GABON						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
HCFC phase-out management plan (stage II, first tranche)	UNIDO	2.9		\$155,000	\$10,850	\$165,850
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2024–2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs, and no servicing tail would be needed. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, to ban the import of HCFCs by that date, and to ban the import of HCFC-based equipment by 1 January 2027; to establish regulatory measures to control intended emission of refrigerant during installation, servicing and decommissioning of refrigeration and air-conditioning equipment, within stage II of the HPMP. Deducted 19.63 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				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 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs, and no servicing tail would be needed. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, to ban the import of HCFCs by that date, and to ban the import of HCFC-based equipment by 1 January 2027; to establish regulatory measures to control intended emission of refrigerant during installation, servicing and decommissioning of refrigeration and air-conditioning equipment, within stage II of the HPMP. Deducted 19.63 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>	UNEP	6.9		\$181,000	\$22,716	\$203,716
Total for Gabon		9.8		\$366,000	\$37,466	\$403,466

GAMBIA

HFC PHASE-DOWN

Servicing

<p>Kigali HFC implementation plan (stage I, first tranche)</p> <p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029, on the understanding that the Government would notify the Ozone Secretariat that it was withdrawing its request for the HAT exemption. Noted the commitment of the Government to implement a ban on the import of domestic refrigeration and commercial stand-alone refrigeration units using HFCs by 1 January 2025 and to revise relevant regulations to include a ban on the use of HFCs in fire suppression, foam, aerosol, and solvent sectors in the country by January 2026; that, upon completion of the end-user technology demonstration project in commercial refrigeration included in stage I of the KIP, UNIDO would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market’s needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP. Approved, on the understanding that UNEP and UNIDO would not disburse the approved funds until the Government had notified the Ozone Secretariat that it was withdrawing its request for the HAT exemption; and requested the Government, UNEP, UNIDO and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>	UNEP		8	\$50,150	\$6,520	\$56,670
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List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		5	\$30,000	\$3,900	\$33,900
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029, on the understanding that the Government would notify the Ozone Secretariat that it was withdrawing its request for the HAT exemption. Noted the commitment of the Government to implement a ban on the import of domestic refrigeration and commercial stand-alone refrigeration units using HFCs by 1 January 2025 and to revise relevant regulations to include a ban on the use of HFCs in fire suppression, foam, aerosol, and solvent sectors in the country by January 2026; that, upon completion of the end-user technology demonstration project in commercial refrigeration included in stage I of the KIP, UNIDO would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP. Approved, on the understanding that UNEP and UNIDO would not disburse the approved funds until the Government had notified the Ozone Secretariat that it was withdrawing its request for the HAT exemption; and requested the Government, UNEP, UNIDO and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
Total for Gambia			13	\$80,150	\$10,420	\$90,570
GRENADA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<p><i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i></p>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$70,000	\$9,100	\$79,100
Total for Grenada				\$100,000	\$13,000	\$113,000

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UNEP/OzL.Pro/ExCom/94/67
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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
GUATEMALA						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase X: 6/2024-5-2027)	UNEP			\$330,670	\$0	\$330,670
HFC PHASE-DOWN						
Servicing						
Preparation of a Kigali HFC implementation plan (stage I)	UNIDO			\$119,000	\$8,330	\$127,330
Preparation of a Kigali HFC implementation plan (stage I)	UNEP			\$51,000	\$6,630	\$57,630
				\$500,670	\$14,960	\$515,630
GUINEA-BISSAU						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII: 6/2024-5/2027)	UNEP			\$180,000	\$0	\$180,000
				\$180,000		\$180,000
GUYANA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
				\$110,000	\$14,300	\$124,300

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total

HONDURAS**HFC PHASE-DOWN****Servicing**

Kigali HFC implementation plan (stage I, first tranche)	UNIDO		86	\$226,918	\$15,885	\$242,803
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Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by at least 15.5 per cent of the country's baseline by 2029. Noted that the Government would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee; that, once the cost guidelines for HFC phase-down are agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines; and that the reductions from the country's remaining HFC consumption eligible for funding referred to above will be deducted from the starting point. Noted also the strong commitment from the Government to support reductions in HFC consumption in advance of the Montreal Protocol targets; the commitment from the Government to issue a ban on the imports of used HFC-based domestic refrigerators from 1 January 2029; that the Government had made a request to the Ozone Secretariat for correction of its Article 7 data for the years 2021 and 2022, and that, once those changes had been approved by the Meeting of the Parties, the Secretariat and UNIDO would adjust the HFC consumption baseline and maximum allowable consumption, as relevant, in the KIP Agreement between the Government and the Executive Committee. Requested the Government, UNIDO, UNEP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche)	UNEP		27	\$70,000	\$9,100	\$79,100
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by at least 15.5 per cent of the country's baseline by 2029. Noted that the Government would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee; that, once the cost guidelines for HFC phase-down are agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines; and that the reductions from the country's remaining HFC consumption eligible for funding referred to above will be deducted from the starting point. Noted also the strong commitment from the Government to support reductions in HFC consumption in advance of the Montreal Protocol targets; the commitment from the Government to issue a ban on the imports of used HFC-based domestic refrigerators from 1 January 2029; that the Government had made a request to the Ozone Secretariat for correction of its Article 7 data for the years 2021 and 2022, and that, once those changes had been approved by the Meeting of the Parties, the Secretariat and UNIDO would adjust the HFC consumption baseline and maximum allowable consumption, as relevant, in the KIP Agreement between the Government and the Executive Committee. Requested the Government, UNIDO, UNEP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
Total for Honduras			112	\$296,918	\$24,985	\$321,903
INDIA						
ENERGY EFFICIENCY						
Air conditioning						
Design and development of a pilot scale energy-efficient rotary compressor along with microchannel heat exchanger compatible with R-290 technology at Godrej & Boyce Mfg. Ltd., for use in manufacturing of room air conditioners (decision 91/65)	Germany			\$1,730,050	\$199,638	\$1,929,688
Total for India				\$1,730,050	\$199,638	\$1,929,688
INDONESIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XIV: 7/2024-6/2027)	UNDP			\$718,693	\$50,309	\$769,002
Total for Indonesia				\$718,693	\$50,309	\$769,002

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
IRAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, fifth tranche) (refrigeration servicing sector)	UNEP	1.6		\$140,000	\$17,400	\$157,400
<p><i>Noted that US \$521,638, plus agency support cost of US \$36,515 for UNIDO, associated with its last funding tranche, would not be requested; the return of US \$50,600 plus agency support cost of US \$3,542, from UNIDO to the Multilateral Fund, owing to the withdrawal of two spray-foam enterprises (Tejarat Aftab and Akia Duetch) from the HPMP; that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the removal of the last funding tranche for UNIDO, and paragraph 17, which had been modified to indicate that the revised updated Agreement superseded that reached at the 92nd meeting; requested UNDP, UNEP, UNIDO and Italy to submit: progress reports on the implementation of their work programmes associated with the final tranche to the 97th meeting and project completion reports to the second meeting of the Executive Committee in 2026; as part of the progress reports, detailed reports on the status of conversion of each of the foam projects under stage II, including their financial viability, the current level of HCFC-141b consumption, the alternative technologies selected, the total funding provided by the Multilateral Fund and the level of co-financing, as applicable, in line with decisions 84/74(c) and 90/45(b).</i></p>						
HCFC phase-out management plan (stage II, fifth tranche) (foam sector)	UNDP			\$100,000	\$7,000	\$107,000
<p><i>Noted that US \$521,638, plus agency support cost of US \$36,515 for UNIDO, associated with its last funding tranche, would not be requested; the return of US \$50,600 plus agency support cost of US \$3,542, from UNIDO to the Multilateral Fund, owing to the withdrawal of two spray-foam enterprises (Tejarat Aftab and Akia Duetch) from the HPMP; that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the removal of the last funding tranche for UNIDO, and paragraph 17, which had been modified to indicate that the revised updated Agreement superseded that reached at the 92nd meeting; requested UNDP, UNEP, UNIDO and Italy to submit: progress reports on the implementation of their work programmes associated with the final tranche to the 97th meeting and project completion reports to the second meeting of the Executive Committee in 2026; as part of the progress reports, detailed reports on the status of conversion of each of the foam projects under stage II, including their financial viability, the current level of HCFC-141b consumption, the alternative technologies selected, the total funding provided by the Multilateral Fund and the level of co-financing, as applicable, in line with decisions 84/74(c) and 90/45(b).</i></p>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, fifth tranche) (commercial refrigeration sector)	UNDP	0.7		\$50,000	\$3,500	\$53,500
<p><i>Noted that US \$521,638, plus agency support cost of US \$36,515 for UNIDO, associated with its last funding tranche, would not be requested; the return of US \$50,600 plus agency support cost of US \$3,542, from UNIDO to the Multilateral Fund, owing to the withdrawal of two spray-foam enterprises (Tejarat Aftab and Akia Duetch) from the HPMP; that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the removal of the last funding tranche for UNIDO, and paragraph 17, which had been modified to indicate that the revised updated Agreement superseded that reached at the 92nd meeting; requested UNDP, UNEP, UNIDO and Italy to submit: progress reports on the implementation of their work programmes associated with the final tranche to the 97th meeting and project completion reports to the second meeting of the Executive Committee in 2026; as part of the progress reports, detailed reports on the status of conversion of each of the foam projects under stage II, including their financial viability, the current level of HCFC-141b consumption, the alternative technologies selected, the total funding provided by the Multilateral Fund and the level of co-financing, as applicable, in line with decisions 84/74(c) and 90/45(b).</i></p>						
HCFC phase-out management plan (stage II, fifth tranche) (refrigeration servicing sector and project monitoring unit)	UNDP	1.1		\$187,860	\$13,150	\$201,010
<p><i>Noted that US \$521,638, plus agency support cost of US \$36,515 for UNIDO, associated with its last funding tranche, would not be requested; the return of US \$50,600 plus agency support cost of US \$3,542, from UNIDO to the Multilateral Fund, owing to the withdrawal of two spray-foam enterprises (Tejarat Aftab and Akia Duetch) from the HPMP; that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the removal of the last funding tranche for UNIDO, and paragraph 17, which had been modified to indicate that the revised updated Agreement superseded that reached at the 92nd meeting; requested UNDP, UNEP, UNIDO and Italy to submit: progress reports on the implementation of their work programmes associated with the final tranche to the 97th meeting and project completion reports to the second meeting of the Executive Committee in 2026; as part of the progress reports, detailed reports on the status of conversion of each of the foam projects under stage II, including their financial viability, the current level of HCFC-141b consumption, the alternative technologies selected, the total funding provided by the Multilateral Fund and the level of co-financing, as applicable, in line with decisions 84/74(c) and 90/45(b).</i></p>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$100,000	\$7,000	\$107,000
Total for Iran		3.4		\$577,860	\$48,050	\$625,910

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
KYRGYZSTAN						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
Total for Kyrgyzstan				\$80,000	\$10,400	\$90,400
LAO, PDR						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNEP	0.3		\$87,100	\$11,323	\$98,423
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and the shift of the third tranche to 2027, Appendix 5-A, to reflect the new national ozone unit under the Department of Climate Change, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						
HCFC phase-out management plan (stage II, second tranche)	UNDP	0.2		\$64,480	\$5,803	\$70,283
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and the shift of the third tranche to 2027, Appendix 5-A, to reflect the new national ozone unit under the Department of Climate Change, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase XII: 1/2025-12/2027)	UNEP			\$180,000	\$0	\$180,000

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		6	\$34,000	\$4,420	\$38,420
<i>Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by at least 10 per cent of the country's baseline by 2029. Noted that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be and would provide that analysis in submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNDP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNDP		13	\$76,000	\$9,880	\$85,880
<i>Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by at least 10 per cent of the country's baseline by 2029. Noted that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be and would provide that analysis in submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNDP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i>						
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$100,000	\$13,000	\$113,000
Total for Lao, PDR		0.5	19	\$621,580	\$54,826	\$676,406

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
LESOTHO						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	Germany	0.5		\$162,400	\$20,545	\$182,945
<p><i>Approved, on the understanding that: the Government would submit revised data under Article 7 of the Montreal Protocol and country programme implementation report for the years 2018 to 2022, in line with the verified consumption for those years; the Government of Germany had committed to submitting the verification report on HCFC consumption for 2023 by September 2024; the Government of Germany would submit a report on the status of adoption of safety standards for flammable refrigerants and the establishment of mandatory certification of technicians in line with decision 87/41(b), at the first meeting of every year starting in 2025 until the submission of the third tranche of stage II of the HPMP; and the Government of Germany would submit detailed reports on the results of the incentive schemes for end users 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>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
	Total for Lesotho	0.5		\$242,400	\$30,945	\$273,345

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
LIBERIA						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	Germany		29	\$72,500	\$9,425	\$81,925
<i>Approved, in principle, stage I of the KIP for the period 2024–2029 to reduce HFC consumption by 32 per cent of the country’s baseline by 2029. Noted the commitment of the Government to reduce HFC consumption from the country’s baseline by 28 per cent by 1 January 2025, 30 per cent by 1 January 2027, and 32 per cent by 1 January 2029; that, if the revision of the HFC consumption data for 2020 to 2022 were approved by the 36th Meeting of the Parties, the Executive Committee would consider, at the 95th meeting, approval of the additional US \$20,000 requested for technical assistance in the firefighting sector and associated support costs and revision of the funding approved in principle, as well as the tranche funding levels and Montreal Protocol targets. Noted also that, upon completion of the incentive scheme for R-290-based air conditioners included in stage I of the KIP, Germany would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g); and requested the Government, Germany and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i>						
Total for Liberia			29	\$72,500	\$9,425	\$81,925
LIBYA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$100,000	\$7,000	\$107,000
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase VIII: 10/2024-9/2027)	UNIDO			\$360,518	\$25,236	\$385,754
Total for Libya				\$460,518	\$32,236	\$492,754

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
MADAGASCAR						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
Total for Madagascar				\$30,000	\$3,900	\$33,900
MALAWI						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700
Total for Malawi				\$90,000	\$11,700	\$101,700
MALAYSIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, first tranche) (PMU)	UNDP			\$387,500	\$27,125	\$414,625
<i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund 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 will 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; further noted the commitment of the Government to ban the import of HCFC-141b for all uses by 31 December 2025, and to ban the import of HCFC-based equipment for sensitive sectors by 31 December 2027. Deducted 257.67 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. That, 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 period 2030-2040; and if Malaysia 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.</i>						

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
<p>HCFC phase-out management plan (stage III, first tranche)</p> <p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund 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 will 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; further noted the commitment of the Government to ban the import of HCFC-141b for all uses by 31 December 2025, and to ban the import of HCFC-based equipment for sensitive sectors by 31 December 2027. Deducted 257.67 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. That, 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 period 2030-2040; and if Malaysia 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.</i></p>	UNDP	89.6		\$5,155,407	\$360,878	\$5,516,285
	Total for Malaysia	89.6		\$5,542,907	\$388,003	\$5,930,910
MALDIVES						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XIII: 1/2025-12/2027)	UNEP			\$180,000	\$0	\$180,000
	Total for Maldives			\$180,000		\$180,000
MAURITIUS						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	Germany			\$90,000	\$11,700	\$101,700
	Total for Mauritius			\$90,000	\$11,700	\$101,700
MEXICO						
PHASE-OUT PLAN						
HFC-23 emission control						
Control and phase-out of HFC-23 emissions in the production of HCFC-22 at Quimobásicos (third tranche)	UNIDO			\$270,050	\$18,904	\$288,954

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Total for Mexico				\$270,050	\$18,904	\$288,954
MOLDOVA, REP						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, second tranche)	UNEP	0.1		\$49,500	\$6,435	\$55,935
HCFC phase-out management plan (stage III, second tranche)	UNDP	0.2		\$145,500	\$10,185	\$155,685
Total for Moldova, Rep		0.3		\$195,000	\$16,620	\$211,620
MONTENEGRO						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNIDO			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		18	\$115,050	\$14,956	\$130,006
<i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country’s average HFC consumption in the baseline years (i.e., 19.43 per cent of the country’s baseline) by 2029. Noted the strong commitment of the Government to support reductions in HFC consumption in advance of the Montreal Protocol targets. Requested the Government, UNIDO and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i>						
Total for Montenegro			18	\$145,050	\$17,656	\$162,706
MOROCCO						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase V: 6/2024–5/2027)	UNEP			\$413,338	\$0	\$413,338
Total for Morocco				\$413,338		\$413,338

Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
MOZAMBIQUE						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNDP		17	\$86,000	\$11,180	\$97,180
<i>Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029. Noted that, upon completion of the demonstration project in the air-conditioning sector included in stage I of the KIP, UNDP would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market’s needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNDP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i>						

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche)	UNEP		17	\$83,500	\$10,855	\$94,355
<p><i>Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by 10 per cent of the country's baseline by 2029. Noted that, upon completion of the demonstration project in the air-conditioning sector included in stage I of the KIP, UNDP would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNDP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
Total for Mozambique			34	\$199,500	\$25,935	\$225,435
NICARAGUA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<p><i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i></p>						
Total for Nicaragua				\$30,000	\$3,900	\$33,900
NIGER						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XIV: 6/2024-5/2027)	UNEP			\$180,000	\$0	\$180,000
Total for Niger				\$270,000	\$6,300	\$276,300

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
NIGERIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, second tranche) (RAC manufacturing sector)	UNIDO	27.9		\$1,199,847	\$83,989	\$1,283,836
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the additional reduction of 1.28 ODP tonnes of HCFC-22 associated with the reallocation of US\$112,000 to additional activities in the servicing sector and the 0.36 ODP tonnes of HCFC-22 deducted from the remaining HCFC consumption eligible for funding in line with decision 93/36, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 91st meeting; and requested the Government, UNDP and UNIDO to include, in future progress reports for stage II of the HPMP, the status of progress in the implementation of stage III of the HPMP, and to submit a project completion report for stage III of the HPMP to the first meeting of the Executive Committee in 2027.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$100,000	\$13,000	\$113,000
	Total for Nigeria	27.9		\$1,299,847	\$96,989	\$1,396,836
NORTH MACEDONIA						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNIDO			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
	Total for North Macedonia			\$30,000	\$2,700	\$32,700
PANAMA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNDP			\$90,000	\$6,300	\$96,300

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XI: 7/2024-6/2027)	UNDP			\$396,115	\$27,728	\$423,843
Total for Panama				\$486,115	\$34,028	\$520,143
PAPUA NEW GUINEA						
HFC PHASE-DOWN						
Servicing						
Preparation of a Kigali HFC implementation plan (stage I)	Germany			\$130,000	\$16,900	\$146,900
<i>Approved, on the condition that funding would be disbursed by the Treasurer only after the receipt of confirmation that the official instrument of ratification had been deposited with and received by the United Nations depositary, signifying the country's ratification of the Kigali Amendment.</i>						
Total for Papua New Guinea				\$130,000	\$16,900	\$146,900
PARAGUAY						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNEP		2.1	\$153,382	\$19,634	\$173,016
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 87th meeting.</i>						
HCFC phase-out management plan (stage II, second tranche)	UNDP		3.8	\$281,077	\$19,675	\$300,752
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 87th meeting.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNDP		84	\$235,675	\$16,497	\$252,172
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029. Noted that the Government would establish its starting point for sustained aggregate reductions in HFC consumption based on the guidance provided by the Executive Committee; that, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines; that the reductions from the country's remaining HFC consumption eligible for funding, referred to above, would be deducted from the starting point; that upon completion of the end-user technology demonstration project in the commercial refrigeration sector included in stage I of the KIP, UNDP would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Noted also that the Government would continue to monitor HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNDP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$60,000	\$7,680	\$67,680
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNDP			\$60,000	\$4,200	\$64,200
	Total for Paraguay	5.8	84	\$880,134	\$79,386	\$959,520
QATAR						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase VII: 6/2024-5/2027)	UNEP			\$235,814	\$0	\$235,814
	Total for Qatar			\$235,814		\$235,814

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SAINT KITTS AND NEVIS						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of an HCFC phase-out management plan (stage II)	UNEP			\$30,000	\$3,900	\$33,900
Total for Saint Kitts and Nevis				\$30,000	\$3,900	\$33,900
SAINT LUCIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNEP			\$105,000	\$13,650	\$118,650
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 87th meeting.</i>						
HCFC phase-out management plan (stage II, second tranche)	UNIDO		0.2	\$139,000	\$8,365	\$147,365
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 87th meeting.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		2	\$27,000	\$3,510	\$30,510
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029. Noted that, if the HFC consumption level for Saint Lucia for the years 2024 or 2025 was above the Montreal Protocol control limits or the maximum allowable consumption in the future Agreement, on the understanding that the Government would continue to make every effort to meet those control limits, the Secretariat would inform and seek guidance from the Executive Committee on the procedure to follow in light of decision XXXV/16; that UNEP and the Government would include an update on the status of development and enforcement of regulations to prohibit the import and sale of HFC-134a-based domestic refrigeration equipment in the request for the second tranche of stage I of the KIP. Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market’s needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNIDO and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche)	UNEP		2	\$43,000	\$5,590	\$48,590
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029. Noted that, if the HFC consumption level for Saint Lucia for the years 2024 or 2025 was above the Montreal Protocol control limits or the maximum allowable consumption in the future Agreement, on the understanding that the Government would continue to make every effort to meet those control limits, the Secretariat would inform and seek guidance from the Executive Committee on the procedure to follow in light of decision XXXV/16; that UNEP and the Government would include an update on the status of development and enforcement of regulations to prohibit the import and sale of HFC-134a-based domestic refrigeration equipment in the request for the second tranche of stage I of the KIP. Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market’s needs and assess what future HFC demand would be, and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement between the Government and the Executive Committee, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNIDO and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$70,000	\$9,100	\$79,100
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNIDO			\$30,000	\$1,805	\$31,805
	Total for Saint Lucia	0.2	4	\$494,000	\$52,420	\$546,420
SAO TOME AND PRINCIPE						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII: 7/2024-6/2027)	UNEP			\$180,000	\$0	\$180,000
	Total for Sao Tome and Principe			\$180,000		\$180,000

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SAUDI ARABIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	74.1		\$1,613,265	\$180,611	\$1,793,876
<p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government 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. Noted also the commitment of the Government: to ban the import and manufacture of HCFC-based equipment by 1 January 2025; to exempt equipment imported into the country under stage II of the HPMP from levies, taxes and duties or to bear the cost of any such levies, taxes and duties. To note further that: the implementation of stage II of the HPMP would result in the training and certification of at least 5,000 technicians; the submission of the second tranche of stage II of the HPMP would be contingent on: the implementation of a ban on the import and manufacture of HCFC-based equipment; the development of policy and regulations for reclamation and the establishment of one reclamation centre; and the training and certification of at least 1,000 technicians; the submission of the third tranche of stage II of the HPMP would be contingent on: the implementation of an e-registration system for certified technicians; the implementation of an e-registration system for servicing workshops; the development of a road map for a green procurement policy that required that only certified technicians should be allowed to service refrigeration and air-conditioning equipment under government contracts; the training and certification of at least 3,000 technicians; and the reclamation of at least 20 metric tonnes of controlled substances. Deducted 765.40 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow 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 period 2030–2040; and if Saudi Arabia 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.</i></p>						

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement for the period 2024-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government 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. Noted also the commitment of the Government: to ban the import and manufacture of HCFC-based equipment by 1 January 2025; to exempt equipment imported into the country under stage II of the HPMP from levies, taxes and duties or to bear the cost of any such levies, taxes and duties. To note further that: the implementation of stage II of the HPMP would result in the training and certification of at least 5,000 technicians; the submission of the second tranche of stage II of the HPMP would be contingent on: the implementation of a ban on the import and manufacture of HCFC-based equipment; the development of policy and regulations for reclamation and the establishment of one reclamation centre; and the training and certification of at least 1,000 technicians; the submission of the third tranche of stage II of the HPMP would be contingent on: the implementation of an e-registration system for certified technicians; the implementation of an e-registration system for servicing workshops; the development of a road map for a green procurement policy that required that only certified technicians should be allowed to service refrigeration and air-conditioning equipment under government contracts; the training and certification of at least 3,000 technicians; and the reclamation of at least 20 metric tonnes of controlled substances. Deducted 765.40 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow 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 period 2030–2040; and if Saudi Arabia 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.</i></p>	UNIDO	200.2		\$4,357,084	\$304,995	\$4,662,079
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV: 7/2024-6/2027)	UNEP			\$529,920	\$0	\$529,920
	Total for Saudi Arabia	274.4		\$6,500,269	\$485,606	\$6,985,875

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SENEGAL						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XV: 6/2024-5/2027)	UNEP			\$403,007	\$0	\$403,007
Total for Senegal				\$403,007		\$403,007
SEYCHELLES						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		10	\$64,836	\$8,429	\$73,265
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029. Noted that the Government planned to establish the following regulatory measures: a ban on the imports and sales of HFC-23 by 1 January 2027; a ban on the imports and sales of HFCs and HFC blends with a GWP above 3,000 in the fire suppression, foam, aerosol and solvent sectors, by January 2029. Noted also that, upon completion of the end-user project included in stage I of the KIP, Germany would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g); and requested the Government, UNEP, Germany and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
Kigali HFC implementation plan (stage I, first tranche)	Germany		3	\$16,844	\$2,190	\$19,034
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029. Noted that the Government planned to establish the following regulatory measures: a ban on the imports and sales of HFC-23 by 1 January 2027; a ban on the imports and sales of HFCs and HFC blends with a GWP above 3,000 in the fire suppression, foam, aerosol and solvent sectors, by January 2029. Noted also that, upon completion of the end-user project included in stage I of the KIP, Germany would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g); and requested the Government, UNEP, Germany and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
Total for Seychelles				13	\$81,680	\$10,619
						\$92,299

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SIERRA LEONE						
PHASE-OUT PLAN						
HCFC phase out plan						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		4	\$21,000	\$2,730	\$23,730
<i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country's baseline by 2029. Noted the commitment of the Government to establish a ban on the import of domestic refrigeration and commercial stand-alone refrigeration units based on HFC-134a by 1 January 2025, a ban on the use of HFCs in the fire suppression, foam, aerosol and solvent sectors by 1 January 2026, and a ban on the import of split air conditioners based on R-410A by 1 January 2029; that, upon completion of the end-user technology demonstration project in the commercial refrigeration sector included in stage I of the KIP, UNIDO would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market's needs and assess what future HFC demand would be and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNIDO and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i>						

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche)	UNEP		13	\$65,500	\$8,515	\$74,015
<p><i>Approved, in principle, stage I of the KIP for the period 2024-2029 to reduce HFC consumption by 10 per cent of the country’s baseline by 2029. Noted the commitment of the Government to establish a ban on the import of domestic refrigeration and commercial stand-alone refrigeration units based on HFC-134a by 1 January 2025, a ban on the use of HFCs in the fire suppression, foam, aerosol and solvent sectors by 1 January 2026, and a ban on the import of split air conditioners based on R-410A by 1 January 2029; that, upon completion of the end-user technology demonstration project in the commercial refrigeration sector included in stage I of the KIP, UNIDO would submit a final report on its implementation, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g). Noted also that the Government would continue to monitor its HFC consumption to understand the extent to which consumption reported in baseline years was representative of the local market’s needs and assess what future HFC demand would be and that it would provide that analysis when submitting the second tranche of the KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the future Agreement, would be revised, if appropriate, when the Committee considered the second tranche of the KIP; and requested the Government, UNEP, UNIDO and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
ENERGY EFFICIENCY						
Commercial						
Preparation of a pilot project on energy efficiency (decision 91/65)	UK			\$30,000	\$3,900	\$33,900
Total for Sierra Leone			17	\$226,500	\$29,445	\$255,945
SOMALIA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700
Total for Somalia				\$90,000	\$11,700	\$101,700
SOUTH AFRICA						
SEVERAL						
Ozone unit support						
Institutional strengthening project (phase I: 6/2024-5/2027)	UNEP			\$500,000	\$0	\$500,000

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Total for South Africa				\$500,000		\$500,000
SOUTH SUDAN						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase II: 6/2024-5/2027)	UNEP			\$180,000	\$0	\$180,000
Total for South Sudan				\$180,000		\$180,000
SRI LANKA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNDP		2.2	\$293,200	\$20,524	\$313,724
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$120,000, plus agency support costs of US \$8,400, for UNDP; and that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to above and the shift of the original second tranche funding from 2023 to 2024, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						
HCFC phase-out management plan (stage II, second tranche)	UNEP		2.0	\$85,800	\$11,154	\$96,954
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$120,000, plus agency support costs of US \$8,400, for UNDP; and that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to above and the shift of the original second tranche funding from 2023 to 2024, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNDP			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNDP			\$120,000	\$8,400	\$128,400

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities)	UNDP			\$245,700	\$22,113	\$267,813
<i>Approved, noting that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; and that the project would be operationally completed no later than May 2027, and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Sri Lanka		4.1		\$774,700	\$64,891	\$839,591
TIMOR LESTE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche)	UNDP			\$27,500	\$2,475	\$29,975
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector and the shift of the original third funding tranche from 2023 to 2024, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 80th meeting.</i>						
HCFC phase-out management plan (stage II, third tranche)	UNEP	1.0		\$41,000	\$5,330	\$46,330
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector and the shift of the original third funding tranche from 2023 to 2024, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 80th meeting.</i>						
Verification report on the implementation of stage II of the HCFC phase-out management plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meetings where the next funding tranches for the HPMPs are being sought.</i>						
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$100,000	\$13,000	\$113,000
Total for Timor Leste		1.0		\$198,500	\$24,705	\$223,205

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
TRINIDAD AND TOBAGO						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XII: 12/2024-12/2027)	UNDP			\$180,000	\$12,600	\$192,600
Total for Trinidad and Tobago				\$180,000	\$12,600	\$192,600

TUNISIA

HFC PHASE-DOWN

Servicing

Kigali HFC implementation plan (stage I, first tranche) (servicing sector)	UNEP		14	\$50,000	\$6,500	\$56,500
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Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by 23.8 per cent of the country’s baseline by 2030. Noted that the Government would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee; that, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country’s remaining HFC consumption eligible for funding would be determined in line with those guidelines; that the reductions from the country’s remaining HFC consumption eligible for funding referred to above would be deducted from the starting point. Noted also the strong commitment of the Government to support reductions in HFC consumption in advance of the Montreal Protocol targets; the commitment of the Government to ban the import and manufacture of HFC-based cold-water dispensers, domestic freezers, domestic refrigerators and stand-alone commercial refrigeration equipment, and residential air-conditioning units based on HFCs with a GWP greater than 700 by 1 January 2027; that, should the enterprise Star One not manufacture HFC-32-based residential air-conditioning units on a commercial scale upon completion of its conversion and continue such manufacturing for at least three years, UNIDO would return to the Multilateral Fund the funding associated with the conversion, plus the funding associated with the project management unit and agency support costs; that a project to phase out HFCs contained in imported pre-blended polyols in the polyurethane foam sector in Tunisia would be subject to the Executive Committee consideration of funding the phase-out of HFCs contained in imported pre-blended polyols; and requested the Government, UNIDO, UNEP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche) (servicing sector and PMU)	UNIDO		147	\$506,787	\$35,475	\$542,262

Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by 23.8 per cent of the country's baseline by 2030. Noted that the Government would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee; that, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country's remaining HFC consumption eligible for funding would be determined in line with those guidelines; that the reductions from the country's remaining HFC consumption eligible for funding referred to above would be deducted from the starting point. Noted also the strong commitment of the Government to support reductions in HFC consumption in advance of the Montreal Protocol targets; the commitment of the Government to ban the import and manufacture of HFC-based cold-water dispensers, domestic freezers, domestic refrigerators and stand-alone commercial refrigeration equipment, and residential air-conditioning units based on HFCs with a GWP greater than 700 by 1 January 2027; that, should the enterprise Star One not manufacture HFC-32-based residential air-conditioning units on a commercial scale upon completion of its conversion and continue such manufacturing for at least three years, UNIDO would return to the Multilateral Fund the funding associated with the conversion, plus the funding associated with the project management unit and agency support costs; that a project to phase out HFCs contained in imported pre-blended polyols in the polyurethane foam sector in Tunisia would be subject to the Executive Committee consideration of funding the phase-out of HFCs contained in imported pre-blended polyols; and requested the Government, UNIDO, UNEP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Air conditioning						
Kigali HFC implementation plan (stage I, first tranche) (residential RAC manufacturing sector)	UNIDO		295	\$1,019,779	\$71,385	\$1,091,164
<p><i>Approved, in principle, stage I of the KIP for the period 2024–2030 to reduce HFC consumption by 23.8 per cent of the country’s baseline by 2030. Noted that the Government would establish its starting point for sustained aggregate reductions in HFC consumption based on guidance provided by the Executive Committee; that, once the cost guidelines for HFC phase-down had been agreed by the Executive Committee, reductions from the country’s remaining HFC consumption eligible for funding would be determined in line with those guidelines; that the reductions from the country’s remaining HFC consumption eligible for funding referred to above would be deducted from the starting point. Noted also the strong commitment of the Government to support reductions in HFC consumption in advance of the Montreal Protocol targets; the commitment of the Government to ban the import and manufacture of HFC-based cold-water dispensers, domestic freezers, domestic refrigerators and stand-alone commercial refrigeration equipment, and residential air-conditioning units based on HFCs with a GWP greater than 700 by 1 January 2027; that, should the enterprise Star One not manufacture HFC-32-based residential air-conditioning units on a commercial scale upon completion of its conversion and continue such manufacturing for at least three years, UNIDO would return to the Multilateral Fund the funding associated with the conversion, plus the funding associated with the project management unit and agency support costs; that a project to phase out HFCs contained in imported pre-blended polyols in the polyurethane foam sector in Tunisia would be subject to the Executive Committee consideration of funding the phase-out of HFCs contained in imported pre-blended polyols; and requested the Government, UNIDO, UNEP and the Secretariat to finalize the draft Agreement for the reduction in consumption of HFCs, and to submit it to a future meeting once the KIP Agreement template had been approved.</i></p>						
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities)	UNIDO			\$170,000	\$15,300	\$185,300
<p><i>Approved, noting that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; that the project would be operationally completed no later than 31 December 2027, and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project; and invited the Government, if it so wishes, to submit an additional pilot project to enhance the energy efficiency of the HFC-32-based split air-conditioning units and R-600a-based cold-water dispensers manufactured by the manufacturing enterprises that were being converted in stage I of the country’s KIP, on the understanding that the additional pilot project be submitted no later than the 96th meeting.</i></p>						
Total for Tunisia			456	\$1,746,566	\$128,660	\$1,875,226

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
TÜRKIYE						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$100,000	\$7,000	\$107,000
Total for Türkiye				\$100,000	\$7,000	\$107,000
UGANDA						
ENERGY EFFICIENCY						
Commercial						
Preparation of a pilot project on energy efficiency (decision 91/65)	UK			\$30,000	\$3,900	\$33,900
Total for Uganda				\$30,000	\$3,900	\$33,900
VANUATU						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IX: 1/2025-12/2027)	UNEP			\$180,000	\$0	\$180,000
Total for Vanuatu				\$180,000		\$180,000
ZAMBIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNIDO		0.8	\$139,000	\$12,510	\$151,510
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						
HCFC phase-out management plan (stage II, second tranche)	UNEP		0.1	\$120,000	\$15,600	\$135,600
<i>Noted that the Fund Secretariat had updated the Agreement, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17 that had been added to indicate that the updated Agreement superseded that reached at the 86th meeting.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400
ENERGY EFFICIENCY						
Servicing						
Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$100,000	\$13,000	\$113,000
	Total for Zambia	0.9		\$439,000	\$51,510	\$490,510
ZIMBABWE						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste-controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700
	Total for Zimbabwe			\$90,000	\$11,700	\$101,700
GLOBAL						
ENERGY EFFICIENCY						
Commercial						
Preparation for a pilot project for digital monitoring and management tools to enhance energy efficiency and reduce emission of greenhouse gases in the space cooling and cold chain sectors in Colombia, Lebanon, and Trinidad and Tobago	UNDP			\$80,000	\$5,600	\$85,600
<i>Approved, on the understanding that the final project would focus on the cold chain sector and would include information relating to the reduction in HFC consumption, energy savings in kilowatt-hours, any co-funding and how the outputs and outcomes would contribute to implementation of Kigali HFC implementation plans.</i>						
	Total for Global			\$80,000	\$5,600	\$85,600
	GRAND TOTAL	971.7	1,051	\$56,935,778	\$4,396,667	\$61,332,445

Summary

UNEP/OzL.Pro/ExCom/94/67
Annex IX

Sector	HCFC (ODP tonnes)	HFC (CO ₂ -eq '000 tonnes)	Funds approved (US\$)		
			Project	Support	Total
BILATERAL COOPERATION					
Phase-out plan	95.7		\$4,661,000	\$530,443	\$5,191,443
Destruction			\$90,000	\$11,700	\$101,700
HFC phase-down		189	\$381,844	\$49,640	\$431,484
Energy efficiency			\$1,790,050	\$207,438	\$1,997,488
TOTAL:			\$6,922,894	\$799,221	\$7,722,115
INVESTMENT PROJECT					
Phase-out plan	875.8		\$34,720,670	\$2,637,766	\$37,358,436
HFC phase-down		862	\$3,213,770	\$298,441	\$3,512,211
Energy efficiency			\$1,740,700	\$179,648	\$1,920,348
TOTAL:			\$39,675,140	\$3,115,855	\$42,790,995
WORK PROGRAMME AMENDMENT					
Phase-out plan			\$670,000	\$74,500	\$744,500
Destruction			\$2,090,000	\$226,700	\$2,316,700
Several			\$7,172,744	\$143,521	\$7,316,265
HFC phase-down			\$300,000	\$29,520	\$329,520
Energy efficiency			\$105,000	\$7,350	\$112,350
TOTAL:			\$10,337,744	\$481,591	\$10,819,335
Summary by Parties and Implementing Agencies					
Austria	15.6		\$700,000	\$83,667	\$783,667
Germany	80.1	189	\$6,162,894	\$707,754	\$6,870,648
UK			\$60,000	\$7,800	\$67,800
IBRD					
UNDP	106.6	161	\$15,853,181	\$1,144,659	\$16,997,840
UNEP	102.6	119	\$12,443,916	\$907,034	\$13,350,950
UNIDO	666.9	582	\$21,715,787	\$1,545,752	\$23,261,539
GRAND TOTAL (HCFCs and HFCs)	971.7	1,051	\$56,935,778	\$4,396,667	\$61,332,445

Balances on projects returned at the 94th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
UNDP (decision 94/2(a)(ii) and 94/11(c))	257,943	18,941	276,884
UNEP (decision 94/2(a)(ii))	469,599	44,402	514,001
UNIDO (decision 94/2(a)(ii) and 94/34(b)(ii))	2,605,940	188,148	2,794,088
Total	3,333,482	251,491	3,584,973

Net allocations based on decisions of the 94th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
Austria	700,000	83,667	783,667
Germany	6,162,894	707,754	6,870,648
UK	60,000	7,800	67,800
UNDP	15,595,238	1,125,718	16,720,956
UNEP	11,974,317	862,632	12,836,949
UNIDO	19,109,847	1,357,604	20,467,451
Total	53,602,296	4,145,175	57,747,471

Annex X

UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BELIZE 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 Belize (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency/agencies (the “Cooperating IA”) under the lead of UNEP 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Belize and the Executive Committee at the 87th 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	2.68
HCFC-141b	C	I	0.12
Total			2.80

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	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)	1.82	1.82	1.82	0.91	0.91	0.91	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.82	1.74	1.74	0.91	0.91	0.91	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	95,350	0	188,250	0	151,490	0	52,910	488,000
2.2	Support costs for Lead IA (US \$)	12,396	0	24,473	0	19,694	0	6,878	63,441
2.3	Cooperating IA (UNDP) agreed funding (US \$)	73,854	0	58,146	0	0	0	0	132,000
2.4	Support costs for Cooperating IA (US \$)	6,647	0	5,233	0	0	0	0	11,880
3.1	Total agreed funding (US \$)	169,204	0	246,396	0	151,490	0	52,910	620,000
3.2	Total support costs (US \$)	19,043	0	29,706	0	19,694	0	6,878	75,321
3.3	Total agreed costs (US \$)	188,247	0	276,102	0	171,184	0	59,788	695,321

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								1.74
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.94
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)								0.12
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 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), which is located within the Department of Environment in the Ministry of Sustainable Development, Climate Change and Disaster Risk Management 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 established by the Ministry. The head of the NOU (the National Ozone Officer) is also a chief environment officer and head of the Department of the Environment and has executive functions, i.e., ensures that the Multilateral Fund's and the Ministry's policies and procedures for project management, including procurement guidelines and reporting requirements, are adhered to.
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.

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 XI

UPDATED AGREEMENT BETWEEN CAMBODIA 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 Cambodia (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 0.4 ODP tonnes prior to 1 January 2035 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. The Country also agrees to meet the annual consumption limits specified in the Montreal Protocol reduction schedule for all Substances as well as for those ODS where the Montreal Protocol reduction schedule has already led to complete phase-out, except to the degree that the Parties have agreed on essential or critical use exemptions for the Country. 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 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 (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. Exempt are 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;
 - (b) That the meeting of these Targets has been independently verified, if requested by the Executive Committee consistent with paragraph (d) of decision 45/54;
 - (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 tranche implementation plans in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) 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 a tranche implementation plan and endorsed by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30% or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this agreement. 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 fulfill the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be 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 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). 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 being responsible for carrying out the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a coordinated 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 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, 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 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 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 updated Agreement supersedes the updated Agreement reached between the Government of Cambodia and the Executive Committee at the 70th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reduction in consumption (ODP tonnes)
HCFC-22 and HCFC-123	C	I	15.0

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011-2012	2013	2014	2015	2016	2017-2018	2019	2020-2021	2022	2023	2024	2025-2029	2030	2031	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	15.0	15.0	13.5	13.5	13.5	13.5	9.75	9.75	9.75	9.75	4.88	0.38	0.38	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	15.0	15.0	13.5	13.5	13.5	13.5	9.75	9.75	9.75	9.75	4.88	0.38	0.38	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	150,000	0	100,000	0	0	150,000	0	100,000	0	200,000	0	120,000	200,000	0	50,000	1,070,000
2.2	Support cost for Lead IA (US \$)	19,500	0	13,000	0	0	19,500	0	13,000	0	26,000	0	15,600	26,000	0	6,500	139,100
2.3	Cooperating IA (UNDP) agreed funding (US \$)	200,000	0	200,000	0	0	100,000	0	150,000	0	0	0	0	0	0	0	650,000
2.4	Support cost for Cooperating IA (US \$)	15,000	0	15,000	0	0	7,500	0	11,250	0	0	0	0	0	0	0	48,750
3.1	Total agreed funding (US \$)	350,000	0	300,000	0	0	250,000	0	250,000	0	200,000	0	120,000	200,000	0	50,000	1,720,000
3.2	Total support cost (US \$)	34,500	0	28,000	0	0	27,000	0	24,250	0	26,000	0	15,600	26,000	0	6,500	187,850
3.3	Total agreed costs (US \$)	384,500	0	328,000	0	0	277,000	0	274,250	0	226,000	0	135,600	226,000	0	56,500	1,907,850
4.1.1	Total phase-out of HCFCs agreed to be achieved under this agreement (ODP tonnes)																15.0
4.1.2	Phase-out of HCFCs to be achieved in previously approved projects (ODP tonnes)																0
4.1.3	Remaining eligible consumption for HCFCs (ODP tonnes)																0

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 REPORTS AND PLANS

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 requested 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 years 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. Appendix 5-A, Monitoring Institutions and Roles, may vary from agreement to agreement. Previous agreements entered by the Committee as reflected in the Reports of the Meetings as well as the

existing agreements for the TPMP should be referenced to provide relevant examples. The principle need is for the appendix to provide a detailed and credible indication of how progress is to be monitored and which organizations will be responsible for the activities. Please take into account any experiences from implementing the TPMP, and introduce the relevant changes and improvements.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include 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 phase-out plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports 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; this responsibility includes the reporting about activities undertaken by the Cooperating IA;
 - (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) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (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 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 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These might be included, as relevant, in this plan or they may have received funding previously, but be considered to be part of the HPMP. These activities can be specified in the respective project document further, but include at least the following:

- (a) Providing policy development assistance 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; 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 \$10,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XII

UPDATED 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 subparagraph 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 subparagraph 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 subparagraph 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 subparagraph 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 subparagraphs 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Cuba and the Executive Committee at the 86th 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	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	120,000	208,000	0	208,000	0	104,000	1,160,000	
2.2	Support costs for Lead IA (US \$)	18,200	0	18,200	8,400	14,560	0	14,560	0	7,280	81,200	
3.1	Total agreed funding (US \$)	278,200	0	278,200	128,400	222,560	0	222,560	0	111,280	1,241,200	
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 subparagraph 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 subparagraph 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 subparagraph (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. 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 subparagraphs 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 subparagraph 5(b) of the Agreement and subparagraph 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 XIII

UPDATED 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Eswatini and the Executive Committee at the 86th 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	1.70
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	220,000	0	95,000	0	65,000	450,000
2.2	Support costs for Lead IA (US \$)	9,100	0	28,600	0	12,350	0	8,450	58,500
2.3	Cooperating IA (UNDP) agreed funding (US \$)	50,000	0	140,000	0	0	0	0	190,000

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
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	360,000	0	95,000	0	65,000	640,000
3.2	Total support costs (US \$)	13,600	0	41,200	0	12,350	0	8,450	75,600
3.3	Total agreed costs (US \$)	133,600	0	401,200	0	107,350	0	73,450	715,600
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 XIV

UPDATED 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.

17. This updated Agreement supersedes the Agreement reached between the Government of the Lao People's Democratic Republic and the Executive Committee at the 86th 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	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	2028-2029	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	0	187,100	0	86,900	0	52,000	432,400
2.2	Support costs for Lead IA (US \$)	13,832	0	0	24,323	0	11,297	0	6,760	56,212
2.3	Cooperating IA (UNDP) agreed funding (US \$)	107,000	0	0	64,480	0	16,120	0	0	187,600
2.4	Support costs for Cooperating IA (US \$)	9,630	0	0	5,803	0	1,451	0	0	16,884
3.1	Total agreed funding (US \$)	213,400	0	0	251,580	0	103,020	0	52,000	620,000
3.2	Total support cost (US \$)	23,462	0	0	30,126	0	12,748	0	6,760	73,096
3.3	Total agreed costs (US \$)	236,862	0	0	281,706	0	115,768	0	58,760	693,096
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 Climate Change (DCC) 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, and implementation of daily work of the project implementation. It will also assist the Government and non-governmental 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 ODS will be monitored through the DCC in collaboration with the Customs Department. The DCC 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 ODS at the point of entry. The NOU will liaise with importers of HCFCs and other ODS to obtain necessary data for reconciliation of statistics on a periodic 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 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 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 XV

UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF PARAGUAY 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 Paraguay (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 subparagraph 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 subparagraph 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. 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 subparagraph 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, 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 subparagraph 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 subparagraphs 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.

17. This revised Agreement supersedes the Agreement reached between the Government of Paraguay and the Executive Committee at the 87th 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	15.95
HCFC-123	C	I	0.20
HCFC-124	C	I	0.15
HCFC-141b	C	I	*1.41
HCFC-142b	C	I	1.60
Total			19.31

*As determined in stage I of the HPMP, it includes 1.36 ODP tonnes of HCFC-141b contained in imported pre-blended polyols.

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	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)	11.67	11.67	11.67	5.83	5.83	5.83	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	11.67	11.67	11.67	5.83	5.83	5.83	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	109,055	0	213,382	0	143,703	0	77,150	543,290
2.2	Support costs for Lead IA (US \$)	14,177	0	27,314	0	18,395	0	9,876	69,762
2.3	Cooperating IA (UNDP) agreed funding (US \$)	101,545	0	341,077	0	264,238	0	39,850	746,710
2.4	Support costs for Cooperating IA (US \$)	7,108	0	23,875	0	18,497	0	2,790	52,270
3.1	Total agreed funding (US \$)	210,600	0	554,459	0	407,941	0	117,000	1,290,000
3.2	Total support costs (US \$)	21,285	0	51,189	0	36,892	0	12,666	122,032
3.3	Total agreed costs (US \$)	231,885	0	605,648	0	444,833	0	129,666	1,412,032
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								10.63
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								5.32
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)								0.20
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)								0.10
4.3.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)								0.05
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)								0.96
4.4.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								0.45
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)								1.14
4.5.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0.46
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2022

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 subparagraph 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 subparagraph 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 subparagraph (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 entity responsible for the implementation of the Montreal Protocol in Paraguay 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 on all the programmes and projects, and to prepare reports to the Ministry and the Secretariat of the Multilateral Fund and the Ozone Secretariat.
3. The PMU will assist the NOU in the following activities:
 - (a) Follow up on 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 with the rules and regulations of the agencies participating in stage II of the HPMP;
 - (c) Assist in the reporting on the activities of the projects, taking into account the schedules defined in each component, and support the NOU in solving any deviations and in timely finalizing all the activities;
 - (d) Support the NOU in defining and selecting the beneficiaries, always as a supporting activity;
 - (e) Support the NOU in gathering data for the tranche request reports required by the Fund Secretariat, and the implementing agencies;
 - (f) Monitor and promote, when necessary, the actions to comply with the gender equality; 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 subparagraphs 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 subparagraph 5(b) of the Agreement and subparagraph 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 XVI

UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF SAINT LUCIA 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 Saint Lucia (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; 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 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Saint Lucia and the Executive Committee at the 87th 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	1.09

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	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)	0.71	0.71	0.71	0.35	0.35	0.35	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.71	0.53	0.53	0.35	0.35	0.35	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	81,000	0	175,000	0	78,000	0	54,000	388,000
2.2	Support costs for Lead IA (US \$)	10,530	0	22,750	0	10,140	0	7,020	50,440
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	83,000	0	169,000	0	0	0	0	252,000
2.4	Support costs for Cooperating IA (US \$)	7,470	0	10,170	0	0	0	0	17,640
3.1	Total agreed funding (US \$)	164,000	0	344,000	0	78,000	0	54,000	640,000
3.2	Total support costs (US \$)	18,000	0	32,920	0	10,140	0	7,020	68,080
3.3	Total agreed costs (US \$)	182,000	0	376,920	0	88,140	0	61,020	708,080
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								0.71
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.38
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

*Date of completion of stage I: 31 December 2022.

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 the day-to-day execution of all components of the project, including oversight of the monitoring, evaluation and reporting consultant. It will be supported by the administration of the Ministry of Education, Innovation, Gender Relations and Sustainable Development who will manage the budget and exercise oversight of the procurement process.

2. A monitoring, evaluation and reporting consultant will be contracted upon project launch to work closely with the NOU and the Montreal Protocol Technical Working Group to plan for the execution of each component and for the day-to-day execution of all activities approved under the Plan. He/she will monitor all project activities, generate periodic monitoring and evaluation reports on project activities, targets achieved, adjustments, and remedial actions to be taken, if necessary, to ensure that targets are met. This consultant will help develop the activity roll-out plans and support efforts to ensure adherence to it. This will be both supportive of, and complementary to the work of the NOU to the extent that while the consultant will support the execution of specific activities under the Plan, he/she will also be providing oversight, assess adherence to timelines and deliverables, assess impacts of activities and recommend remedial measures when considered necessary. The consultant will also be responsible for generating progress, and financial reports as well as the close-out report for each of the tranches under stage II. These activities will be conducted in collaboration with the NOU and the Montreal Protocol Technical Working Group as well as with the implementing agencies.

3. In its capacity as the Lead IA, UNEP will be responsible for ensuring that periodic progress and financial reports are generated, monitor progress with the tranches and disburse funds in accordance with the Agreement to be entered into between the Government of Saint Lucia and the Executive Committee on the one hand, as well as the Agreement to be entered into between it and the Government of Saint Lucia.

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 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 \$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 XVII

UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF TIMOR-LESTE 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 Timor-Leste (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 0.11 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 (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; 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 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Timor-Leste and the Executive Committee at the 80th 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	0.5

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.45	0.45	0.45	0.33	0.33	0.33	0.33	0.33	0.16	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.45	0.39	0.39	0.30	0.30	0.28	0.28	0.17	0.11	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	83,000	0	0	0	62,000	0	0	141,000	20,880	306,880
2.2	Support costs for Lead IA (US \$)	10,790	0	0	0	8,060	0	0	18,330	2,714	39,894

Row	Particulars	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
2.3	Cooperating IA (UNDP) agreed funding (US \$)	55,000	0	0	0	41,500	0	0	27,500	13,920	137,920
2.4	Support costs for Cooperating IA (US \$)	4,950	0	0	0	3,735	0	0	2,475	1,253	12,413
3.1	Total agreed funding (US \$)	138,000	0	0	0	103,500	0	0	168,500	34,800	444,800
3.2	Total support cost (US \$)	15,740	0	0	0	11,795	0	0	20,805	3,967	52,307
3.3	Total agreed costs (US \$)	153,740	0	0	0	115,295	0	0	189,305	38,767	497,107
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										0.34
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)										0.05
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										0.11

*Date of completion of stage I of the HPMP is December 2018.

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 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 Directorate General for Environment of the Ministry of Commerce, Industry and Environment (MCIE) 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-governmental 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 stage II of the HPMP.

2. Annual consumption of HCFCs and other ODSs will be monitored through MCIE in collaboration with the Directorate General for Customs. MCIE is a licensing authority to issue import and export permit, while the Directorate General for Customs 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 reconciliation of statistics on the periodically basis.

3. The NOU will undertake regular inspection to monitor the implementation of labelling requirement for HCFC cylinders. The NOU will also undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the refrigeration and air-conditioning (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 XVIII

UPDATED 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Zambia and the Executive Committee at the 86th 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	5.0

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	220,000	0	116,000	0	60,000	496,000
2.2	Support costs for Lead IA (US \$)	13,000	0	28,600	0	15,080	0	7,800	64,480
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	359,000	0	116,000	0	60,000	685,000
3.2	Total support costs (US \$)	17,500	0	41,110	0	15,080	0	7,800	81,490
3.3	Total agreed costs (US \$)	167,500	0	400,110	0	131,080	0	67,800	766,490
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								3.25

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
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 XIX

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWAL OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 94th MEETING

Bahrain

1. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Bahrain (phase XII) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating compliance with the Montreal Protocol. The Committee also acknowledged Bahrain's significant progress in phasing out ODS consumption during the project period, notably through the enforcement of ODS import controls via a licensing and quota system and the provision of training to customs officers and refrigeration technicians. Furthermore, the Committee acknowledged Bahrain's efforts in reducing HCFC consumption and anticipates the country's continued successful implementation of its HCFC phase-out management plan and institutional strengthening project, aiming for a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

Burundi

2. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Burundi (phase X) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating compliance with the Montreal Protocol. The Committee also acknowledged Burundi's significant progress in phasing out ODS consumption during the project period, notably through enforcing ODS import controls via a licensing and quota system and training customs officers and refrigeration technicians. Furthermore, the Committee acknowledged Burundi's efforts in reducing HCFC and HFC consumption and anticipates the country's continued successful implementation of its HCFC phase-out management plan and institutional strengthening project, aiming for a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

Cameroon

3. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Cameroon (phase XIV) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating compliance with the Montreal Protocol. The Committee also acknowledged Cameroon's significant progress in phasing out ODS consumption during the project period, notably through the enforcement of ODS import controls via a licensing and quota system and the provision of training to customs officers and refrigeration technicians. Furthermore, the Committee acknowledged Cameroon's efforts in reducing HCFC and HFC consumption and anticipates the country's continued successful implementation of its HCFC phase-out management plan, Kigali HFC implementation plan and institutional strengthening project, aiming for a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

Chad

4. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Chad (phase XI) and noted with appreciation the submission of 2021 and 2022 HCFC and HFC data to the Ozone Secretariat, demonstrating compliance with the Montreal Protocol. The Committee also acknowledged Chad's progress in phasing out ODS and HFC consumption during the project period. Specifically, Chad enforced ODS and HFC import controls through a licensing and quota system and provided training to customs officers and refrigeration technicians. The Committee noted Chad's efforts in reducing HCFC and HFC consumption and looks forward to the country's continued successful implementation of its HCFC phase-out management plan and institutional strengthening project,

aiming for a 67.5 per cent reduction in HCFC consumption by 1 January 2025, as mandated by the Montreal Protocol.

Comoros (the)

5. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Comoros (phase XIII) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating a commitment to compliance with the Montreal Protocol. The Executive Committee acknowledged Comoros's efforts to phase out the consumption of ozone-depleting substances (ODS) during the project period, particularly the rigorous enforcement measures implemented to control ODS imports through the licensing and quota system, alongside the comprehensive training provided to customs officers and refrigeration technicians. Furthermore, Comoros's initiatives aimed at reducing HCFC and HFC consumption were noted by the Committee. The Committee is hopeful that, the Government of Comoros will continue the implementation of the institutional strengthening project with success to sustain HCFC phase-out achievements and comply with the HFC phase-down as stipulated in the Kigali Amendment.

Congo (the)

6. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Congo (phase XII) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating compliance with the Montreal Protocol. The Committee also acknowledged Congo's progress in phasing out ODS consumption during the project period, notably through enforcing ODS import controls via a licensing and quota system and training customs officers and refrigeration technicians. Furthermore, the Committee noted Congo's efforts in reducing HCFC and HFC consumption and anticipates the country's continued successful implementation of its HCFC phase-out management plan and institutional strengthening project, aiming for a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

Cuba

7. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Cuba (phase XIII) and noted with appreciation the fact that the Government of Cuba is complying with its reduction targets, reported 2023 Article 7 and country programme data to the Ozone and Fund Secretariats, respectively. The Committee further noted that the Government of Cuba has taken steps to phase out ODS and phase down HFC consumption; in particular, implementation of HCFC and HFC import controls through the licensing and quota system, and training of customs officers and refrigeration technicians. The Committee also noted with appreciation the activities initiated for the implementation of the Kigali Amendment. The Committee acknowledged the efforts of the Government of Cuba and is therefore hopeful that, within the next three years, the Government of Cuba will continue implementation of the HCFC phase-out management plan, Kigali HFC implementation plan and institutional strengthening project activities with success to achieve the 67.5 per cent reduction in HCFC consumption required on 1 January 2025 and the controls related to the Kigali Amendment starting 2024.

Democratic Republic of the Congo

8. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for the Democratic Republic of the Congo (phase XI) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating compliance with the Montreal Protocol. The Committee also acknowledged Democratic Republic of the Congo's progress in phasing out ODS consumption during the project period. Specifically, Democratic Republic of the Congo has enforced ODS import controls through a licensing and quota system and provided training

to customs officers and refrigeration technicians. The Committee noted Democratic Republic of the Congo's efforts in reducing HCFC consumption and looks forward to the country's continued successful implementation of its HCFC phase-out management plan and institutional strengthening project, aiming for a 67.5 per cent reduction in HCFC consumption by 1 January 2025, as mandated by the Montreal Protocol.

Guatemala

9. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Guatemala (phase X) and noted with appreciation that the country has complied with its data reporting and HCFC phase-out obligations under the Montreal Protocol and is pleased by the ratification of the Kigali Amendment in January 2024. The Committee noted that the national ozone unit coordinated activities under stage II of the HCFC phase-out management plan and organized and conducted several training sessions for customs officers. The Committee also noted the country's continued participation of stakeholders in the implementation of the Montreal Protocol at the national level, awareness-raising activities and the Ozone Day celebrations, as well as active participation in regional network/events.

Guinea-Bissau

10. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Guinea Bissau (phase VIII) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone and the Multilateral Fund Secretariats, demonstrating compliance with the Montreal Protocol. The Committee also acknowledged Guinea-Bissau's progress in phasing out ODS consumption during the project period, notably through the enforcement of ODS import controls via a licensing and quota system and the provision of training to customs officers and refrigeration technicians. The Committee acknowledged Guinea-Bissau for its efforts to reduce HCFC and HFC consumption and anticipate the country's continued success in implementing its strategies, including its plans to achieve a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

Indonesia

11. The Executive Committee reviewed the report submitted with the request for the renewal of institutional strengthening project for Indonesia (phase XIV) and noted with appreciation that Indonesia reported 2023 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country achieved its HCFC reduction target for the year. The Committee also acknowledged Indonesia's commitment to maintain the effective implementation of institutional strengthening related activities including designing and putting in place the HFC licensing system and its supporting instruments, monitoring and evaluating the ODS import data, coordinating actions on HCFC consumption reduction, and raising awareness of the public and the specific sectors to support implementation of Multilateral Fund projects. The Committee also commended Indonesia for its ratification of the Kigali Amendment on 14 December 2022, and the relevant actions taken to prepare for its implementation.

Lao People's Democratic Republic

12. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Lao People's Democratic Republic (phase XII) and noted with appreciation that the Government of the Lao People's Democratic Republic used the institutional strengthening project to resume operation and to expedite project implementation to catch up with project implementation delayed during a transition period. The Committee noted that the 2022 country programme data and Article 7 data indicates that the country is in compliance with the Montreal Protocol and has sustained compliance with the maximum allowable consumption as agreed with the Executive Committee. The Committee also noted that the government continued the implementation of mandatory labelling

requirement for HCFC-22 and is working on strengthening enforcement measures on HCFC and HFC trade control. The Committee is hopeful that, the Government of Lao People's Democratic Republic will continue the implementation of the institutional strengthening project with success and sustain HCFC phase out achievements and meet the first HFC phase-down obligation under the Kigali Amendment.

Libya

13. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Libya (phase VIII) and noted with appreciation that Libya has reported 2022 country programme data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol phase-out schedule and with the plan of action to return to compliance set out in decision XXVII/11. The Committee also noted that the national ozone unit was fully staffed, despite the current political and security situation in the country, and that annual consumption quotas were established and monitored on a regular basis. The Committee acknowledged the efforts of Libya to complete stage I of the HCFC phase-out management plan and implement the first tranche of stage II. The Committee is therefore hopeful that the Government of Libya will maintain the consumption within the control limits, remain in compliance with the Montreal Protocol phase-out targets and with its commitments in decision XXVII/11.

Maldives

14. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Maldives (phase XIII) and noted with appreciation that the Government of the Maldives had reported the country programme 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 is hopeful that the Government of the Maldives will continue implementing the institutional strengthening project with success and sustain HCFC phase-out achievements and initiate the HFC phase-down as stipulated in the Kigali Amendment.

Morocco

15. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Morocco (phase V) and noted with appreciation that the Government of Morocco had reported country programme 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 noted that the country is implementing the HCFC phase-out management plan, conducting information outreach and awareness-raising activities and participating in regional network meetings. The Executive Committee is hopeful that, the Government of Morocco will continue the implementation of the institutional strengthening project with success to sustain the momentum of HCFC phase-out and meet the future control measures of the Montreal Protocol and its Kigali Amendment.

Niger (the)

16. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Niger (phase XIV) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating a commitment to compliance with the Montreal Protocol. Achievements were also noted in Niger's efforts to phase out the consumption of ozone-depleting substances (ODS) during the project period. Noted were the enforcement measures implemented to control ODS imports through a licensing and quota system, alongside the comprehensive training provided to customs officers and refrigeration technicians. Furthermore, Niger's initiatives aimed at reducing HCFC and HFC consumption were acknowledged by the Committee. Looking ahead, the Committee anticipates that Niger will keep implementing the HCFC phase-out management plan and Kigali

HFC implementation plan in the next phase, with the ambitious goal of achieving a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

Panama

17. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Panama (phase XI) and noted with appreciation the fact that the Government of Panama reported 2023 Article 7 and country programme data to the Ozone and Fund Secretariats indicating that the country is in compliance with the Montreal Protocol. The Committee further noted that the Government of Panama has taken steps to phase out ODS consumption; in particular, implementation of HCFC and HFC import controls through the licensing and quota system, and training of customs officers and refrigeration technicians. The Committee also noted with appreciation the activities initiated to facilitate the implementation of the Kigali Amendment, such as the approval of the first stage of the Kigali HFC implementation plan. The Committee acknowledged the efforts of the Government of Panama is therefore hopeful that, within the next three years, the Government of Panama will continue implementation of the HCFC phase-out management plan, Kigali HFC implementation plan and institutional strengthening project activities with success in order to achieve the 67.5 per cent reduction in HCFC consumption required since 1 January 2025, sustain the freeze of HFC consumption and the upcoming control targets in 2025.

Qatar

18. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request (phase VII) for Qatar and noted with appreciation that Qatar reported 2022 Article 7 and country programme data to the Ozone and Fund Secretariats, respectively indicating that the country is in compliance with the Montreal Protocol. The Committee anticipated that the on-going coordination with stakeholders, government & private sectors will be enhanced to ensure their full engagement in implementing the ongoing Montreal Protocol funded projects including the implementation of stage II of the HCFC phase-out management plan (HPMP) to achieve the 2025 reduction target. The Committee therefore is hopeful that, within the next three years, Qatar will continue with the implementation of its HPMP and institutional strengthening project activities with success to prepare the country for further reduction in the HCFC consumption under Montreal Protocol and initiate the required activities under the Kigali Amendment.

Sao Tome and Principe

19. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Sao Tome et Principe (phase VIII) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating a commitment to compliance with the Montreal Protocol. The Committee also noted efforts to phase out the consumption of ozone-depleting substances (ODS) during the project period and the rigorous enforcement measures implemented to control ODS imports through a licensing and quota system, alongside the comprehensive training provided to customs officers and refrigeration technicians. Furthermore, Sao Tome and Principe's initiatives aimed at reducing HCFC and HFC consumption were acknowledged by the Committee. Looking ahead, the Committee anticipates Sao Tome and Principe will submit and implement the HCFC phase-out management plan and Kigali HFC implementation plan in the next phase, with the goal of achieving a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

Saudi Arabia

20. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Saudi Arabia (phase IV) and noted with appreciation that Saudi Arabia reported 2022 and 2023 Article 7 and country programme data to the Ozone and Multilateral Fund Secretariats,

respectively indicating that the country is in compliance with the Montreal Protocol requirements. The Committee acknowledged the efforts of Saudi Arabia to reduce the consumption of HCFCs and is therefore hopeful that, within the next three years, Saudi Arabia will continue with the implementation of its HCFC phase-out management plan and institutional strengthening project activities with success to prepare the country for further reduction in the HCFC consumption under Montreal Protocol and complete the process for Kigali Amendment ratification.

Senegal

21. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Senegal (phase XV) and noted with appreciation the submission of data for 2021 and 2022 to the Ozone Secretariat, demonstrating a commitment to compliance with the Montreal Protocol. The Committee noted Senegal's efforts to phase out ozone-depleting substances (ODS) consumption during the project period. The enforcement measures implemented to control ODS imports through a licensing and quota system, alongside the comprehensive training provided to customs officers and refrigeration technicians were particularly noted. Furthermore, the Committee acknowledged Senegal's proactive initiatives aimed at reducing HCFC and HFC consumption. Looking ahead, the Committee anticipates Senegal's continued success in implementing its HCFC phase-out management plan and institutional strengthening project, with the goal of achieving a 67.5 per cent reduction in HCFC consumption by 1 January 2025.

South Africa

22. The Executive Committee reviewed the report submitted with the institutional strengthening project request for South Africa (phase I) and noted with appreciation that the country has an operational national ozone unit (NOU) and had been complying with the obligations to the Montreal Protocol including enforcement of a licensing and quota system for HCFCs and timely submission of Article 7 and country programme data. The Committee also noted with appreciation that South Africa achieved a full phase-out of CFCs without financial support from the Multilateral Fund and legislated the ban of import of CFCs in 2014. The Committee recognized the efforts made by the Government of South Africa to meet the Montreal Protocol obligations and implement projects while not having an institutional strengthening project in place and trusts that with approval of the project, the Government will coordinate with and build the capacity of national stakeholders, raise the awareness of different sector-specific stakeholders, as well as the general public and implement stage II of the HCFC phase-out management plan, and freeze HFC consumption at the baseline level and develop the overarching strategy and implementation plan for stage I of its Kigali HFC implementation plan to achieve 10 per cent reduction in HFCs consumption from the baseline by 2029.

South Sudan

23. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for South Sudan (phase II) and noted with appreciation that South Sudan reported Article 7 data indicating that the country is in compliance with Montreal Protocol in 2023. The Committee acknowledged that South Sudan has a licensing and quota system in place, and that the country had carried out training of customs officers, refrigeration technicians, awareness-raising activities and preparation of stage II of the HCFC phase-out management plan (HPMP). The Committee acknowledged the efforts of South Sudan to reduce the consumption of HCFCs and hopes that, within the next three years, South Sudan will start the implementation of stage II of the HPMP and continue to implement institutional strengthening project activities with success in order to prepare the country to achieve the 67.5 per cent reduction in HCFC consumption required by 1 January 2025.

Trinidad and Tobago

24. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Trinidad and Tobago (phase XII) and noted with appreciation the fact that the Government of Trinidad and Tobago reported 2023 Article 7 and country programme data to the Ozone and Fund Secretariats indicating that the country is in compliance with the Montreal Protocol. The Committee noted the efforts taken by Trinidad and Tobago to phase out ODS consumption through licensing and quota systems as well as training of customs officers and refrigeration technicians and introduction of alternatives. The Committee noted with appreciation the activities initiated to facilitate the implementation of the Kigali Amendment and is hopeful that, within the next three years, the Government of Trinidad and Tobago will continue implementation of the HCFC phase-out management plan, Kigali HFC implementation plan, and institutional strengthening project activities with success in order to achieve the upcoming Montreal Protocol control targets in 2024 and 2025.

Vanuatu

25. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Vanuatu (phase IX) and noted with appreciation that the Government of Vanuatu, despite the setback in 2023, reported the country programme data and Article 7 data to the Fund and Ozone Secretariats on time, respectively, indicating that the country is in compliance with the Montreal Protocol. The Committee noted that the government continues to effectively implement the licensing system for HCFC and HFC through the National Single Window system and sustained compliance with the Montreal Protocol HCFC phase-out obligations and maximum allowable consumption as agreed with the Executive Committee and with the Kigali Amendment obligations. The Committee is hopeful that, the Government of Vanuatu will continue the implementation of the institutional strengthening project with success to sustain HCFC phase-out achievements and comply with the HFC phase-down as stipulated in the Kigali Amendment.

Annex XX

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 III OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

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 0 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 stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 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 subparagraph 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;
 - (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 Plan, 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 UNIDO and the Government of Germany 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 coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IAs 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 IAs 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 IAs with the fees set out in rows 2.2, 2.4 and 2.6 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 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.

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 subparagraph 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 subparagraphs 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 between the Government 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	792.0
HCFC-123	C	I	0.3
HCFC-124	C	I	7.7
HCFC-141b	C	I	521.7
HCFC-142b	C	I	5.6
Total			1,327.3

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	862.74	431.37	431.37	431.37	431.37	431.37	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	484.46	431.37	431.37	152.64	152.64	152.64	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	5,010,039	0	5,010,039	0	5,010,039	0	1,670,013	16,700,130
2.2	Support costs for Lead IA (US \$)	350,703	0	350,703	0	350,703	0	116,900	1,169,009
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	2,351,587	0	2,351,587	0	2,351,587	0	783,861	7,838,622
2.4	Support costs for Cooperating IA (US \$)	164,611	0	164,611	0	164,611	0	54,871	548,704
2.5	Cooperating IA (Germany) agreed funding (US \$)	2,709,081	0	2,795,415	0	2,845,438	0	927,770	9,277,704
2.6	Support costs for Cooperating IA (US \$)	300,919	0	310,509	0	316,065	0	103,055	1,030,548
3.1	Total agreed funding (US \$)	10,070,707	0	10,157,041	0	10,207,064	0	3,381,644	33,816,456
3.2	Total support costs (US \$)	816,233	0	825,823	0	831,379	0	274,826	2,748,261
3.3	Total agreed costs (US \$)	10,886,940	0	10,982,864	0	11,038,443	0	3,656,470	36,564,717
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								575.65
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								216.35
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)								0.30
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-124 agreed to be achieved under this Agreement (ODP tonnes)								7.70
4.3.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)								0
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								52.00
4.4.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								469.70
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)								5.60
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

*Date of completion of stage II as per decision 91/26(b)(ii): 31 December 2025

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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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 the Environment and Climate Change (MMA) is responsible for the overall coordination of activities to be undertaken in the Plan and acts as the National Ozone Unit (NOU). The Brazilian Institute of the Environment and Natural Renewable Resources (IBAMA) is the enforcement institution linked to the MMA, responsible for carrying out national policies and legislation regarding ODS control. The NOU (under the MMA) monitors at the managerial level all ODS consumption. IBAMA controls through the licensing system the ODS consumption (import and export) at the end-user level through the licensing system. The Lead IA 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 Plan and is key to reach compliance. There will be regular coordination meetings with industry stakeholders, HCFC importers, relevant Government stakeholders, 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 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 Plan;
 - (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 subparagraphs 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, including the activities implemented by the Cooperating IAs;
 - (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 IAs and ensuring an 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 IAs, 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, 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 Plan's results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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, referring to the Lead IA to ensure a coordinated sequence of 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 \$105.47 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 Plan 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 XXI

AGREEMENT BETWEEN THE GOVERNMENT OF THE COMOROS 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 Comoros (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 stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 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 subparagraph 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;
 - (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. UNEP 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 subparagraph 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 subparagraph 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 subparagraphs 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 between the Government 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	0.14
Total			0.14

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027-2029	2030	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.09	0.04	0.04	0.04	0	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.09	0.04	0.04	0.04	0	n/a	
2.1	Lead IA (UNEP) agreed funding (US \$)	150,000	0	235,500	0	42,000	427,500	
2.2	Support costs for Lead IA (US \$)	19,500	0	30,615	0	5,460	55,575	
3.1	Total agreed funding (US \$)	150,000	0	235,500	0	42,000	427,500	
3.2	Total support costs (US \$)	19,500	0	30,615	0	5,460	55,575	
3.3	Total agreed costs (US \$)	169,500	0	266,115	0	47,460	483,075	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							0.09
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							0.05
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.00

*Date of completion of stage I as per decision 87/28: 31 December 2022

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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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 on the status of implementation of the Plan to the Lead IA. The monitoring of the development of the Plan and verification of the achievement of the performance targets specified in the Plan will be assigned by the Lead IA to independent local enterprises or consultants.

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 Plan;
 - (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 subparagraphs 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 Plan's results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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 Plan 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 CÔTE D'IVOIRE 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 Côte d'Ivoire (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 approved ("the Plan"). In accordance with subparagraph 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 subparagraph 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;
 - (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. 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 coordinated 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 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, 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 subparagraph 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 subparagraphs 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 between the Government 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	63.80

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	41.47	20.74	20.74	20.74	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	33.00	20.74	20.74	20.74	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	790,000	0	753,000	0	287,000	1,830,000
2.2	Support costs for Lead IA (US \$)	91,217	0	86,945	0	33,138	211,300
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	601,000	0	439,000	0	0	1,040,000
2.4	Support costs for Cooperating IA (US \$)	42,070	0	30,730	0	0	72,800
3.1	Total agreed funding (US \$)	1,391,000	0	1,192,000	0	287,000	2,870,000
3.2	Total support costs (US \$)	133,287	0	117,675	0	33,138	284,100
3.3	Total agreed costs (US \$)	1,524,287	0	1,309,675	0	320,138	3,154,100
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						41.47
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)						22.33
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						0.00

*Date of completion of stage I as per decision 90/32(a): 31 December 2022

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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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 Country will ensure that it conducts accurate monitoring of all activities under the Plan. The national ozone unit will submit annual progress reports on the status of implementation of activities to UNEP as the Lead IA. The verification of the achievement of the performance targets as per Executive Committee requirements will be assigned to an independent company or independent consultants selected 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 Plan;
 - (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 subparagraphs 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 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, 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 Plan's results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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 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 \$138.4 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 Plan 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 GABON 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 Gabon (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 approved (“the Plan”). In accordance with subparagraph 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 subparagraph 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;
 - (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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency/agencies (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 subparagraph 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 I 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 subparagraph 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 subparagraphs 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 between the Government 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	30.2

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	19.63	9.81	9.81	9.81	9.81	9.81	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	19.63	9.81	9.81	9.81	9.81	9.81	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	181,000	0	318,000	0	0	0	146,000	645,000
2.2	Support costs for Lead IA (US \$)	22,716	0	39,910	0	0	0	18,324	80,950
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	155,000	0	115,000	0	0	0	0	270,000
2.4	Support costs for Cooperating IA (US \$)	10,850	0	8,050	0	0	0	0	18,900
3.1	Total agreed funding (US \$)	336,000	0	433,000	0	0	0	146,000	915,000

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
3.2	Total support costs (US \$)	33,566	0	47,960	0	0	0	18,324	99,850
3.3	Total agreed costs (US \$)	369,566	0	480,960	0	0	0	164,324	1,014,850
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								19.63
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								10.57
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0

*Date of completion of stage I in accordance with the date of extension: 31 December 2022

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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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. Overall monitoring will be provided by the Government, through the National Ozone Unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.
2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:
- (a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - (b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of development of the Plan and verification of the achievement of the performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the 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 Plan;
 - (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 subparagraphs 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 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 IAs 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 Plan's results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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 Plan 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 MALAYSIA 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 Malaysia (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, 4.6.3, and 4.7.3 (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 stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 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 subparagraph 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;
 - (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 Plan, 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”) 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 subparagraph 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 subparagraph 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 subparagraphs 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 between the Government 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-123	C	I	1.13
HCFC-141	C	I	0.94
HCFC-141b	C	I	162.54
HCFC-142b	C	I	0.79
HCFC-21	C	I	0.74
HCFC-22	C	I	349.54
HCFC-225	C	I	0.08
Total			515.76

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	335.24	167.62	167.62	167.62	167.62	167.62	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	294.63	167.62	167.62	167.62	120	120	0	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	5,542,907	0	0	8,605,558	0	1,835,000	0	15,983,465
2.2	Support costs for Lead IA (US \$)	388,003	0	0	602,390	0	128,450	0	1,118,843
3.1	Total agreed funding (US \$)	5,542,907	0	0	8,605,558	0	1,835,000	0	15,983,465
3.2	Total support costs (US \$)	388,003	0	0	602,390	0	128,450	0	1,118,843
3.3	Total agreed costs (US \$)	5,930,910	0	0	9,207,948	0	1,963,450	0	17,102,308
4.1.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)								1.13
4.1.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)								0
4.1.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								0
4.2.1	Total phase-out of HCFC-141 agreed to be achieved under this Agreement (ODP tonnes)								0

4.2.2	Phase-out of HCFC-141 to be achieved in previously approved projects (ODP tonnes)	0.94
4.2.3	Remaining eligible consumption for HCFC-141 (ODP tonnes)	0
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)	1.00
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)	161.54
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
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)	0.79
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)	0
4.5.1	Total phase-out of HCFC-21 agreed to be achieved under this Agreement (ODP tonnes)	0
4.5.2	Phase-out of HCFC-21 to be achieved in previously approved projects (ODP tonnes)	0.74
4.5.3	Remaining eligible consumption for HCFC-21 (ODP tonnes)	0
4.6.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)	255.46
4.6.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)	94.08
4.6.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)	0
4.7.1	Total phase-out of HCFC-225 agreed to be achieved under this Agreement (ODP tonnes)	0.08
4.7.2	Phase-out of HCFC-225 to be achieved in previously approved projects (ODP tonnes)	0
4.7.3	Remaining eligible consumption for HCFC-225 (ODP tonnes)	0

* Date of completion of stage II as per stage II Agreement: 31 December 2023

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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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 Department of Environment (“DOE”) through the national ozone unit with the assistance of the Lead IA.
2. Consumption will be monitored and determined based on official import and export data for the substances recorded by relevant Government departments.
3. The DOE 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. Consumption will be monitored annually throughout the implementation of the Plan and accordingly reflected in the progress report on the implementation of the Plan.
5. The DOE 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 Plan;

- (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 subparagraphs 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 Plan's results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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 \$140.41 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 Plan 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 THE KINGDOM OF SAUDI ARABIA
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 Kingdom of Saudi Arabia (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 stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 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 subparagraph 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;
 - (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 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 Plan, as appropriate, and inform the Executive Committee on the progress accordingly in tranche implementation reports; and
- (e) 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 subparagraph 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, 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 subparagraph 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 subparagraphs 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	1,011.64
HCFC-123	C	I	0.19
HCFC-141b	C	I	341.00
HCFC-142b	C	I	115.86
Total	C	I	1,468.69

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Parameter/Year	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	954.66	477.33	477.33	477.33	477.33	477.33	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	881.22	477.33	477.33	400.00	400.00	400.00	0.00	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	4,357,084	0	3,592,336	0	2,510,996	0	1,076,816	11,537,233
2.2	Support costs for Lead IA (US \$)	304,995	0	251,464	0	175,770	0	75,377	807,606
2.3	Cooperating IA (UNEP) agreed funding (US \$)	1,613,265	0	1,838,501	0	1,014,501	0	652,589	5,118,855
2.4	Support costs for Cooperating IA (US \$)	180,611	0	205,826	0	113,577	0	73,060	573,074
3.1	Total agreed funding (US \$)	5,970,349	0	5,430,837	0	3,525,497	0	1,729,405	16,656,088
3.2	Total support costs (US \$)	485,606	0	457,290	0	289,347	0	148,437	1,380,680
3.3	Total agreed costs (US \$)	6,455,955	0	5,888,127	0	3,814,844	0	1,877,842	18,036,768
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								765.21
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								246.43
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 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-141b agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								341.00
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 previously approved projects (ODP tonnes)								115.86
4.4.3	Remaining eligible consumption for 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 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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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, Water and Agriculture, Government of the Kingdom of Saudi Arabia, and the national ozone unit are responsible for the overall project controlling, coordination, assessment and monitoring.

2. The project management unit (PMU) will coordinate daily work of the project implementation and also assist the enterprises, as well as Government and non-Government offices and organizations, to streamline their activities for smooth implementation of the projects. The PMU will help the Government of the Kingdom of Saudi Arabia with monitoring the progress on implementation and reporting to the Executive Committee.

3. An independent and certified auditor will audit and verify the consumption of ODS reported by the Government through Article 7 data and country programme progress 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 Plan;
 - (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 subparagraphs 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 Plan's results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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 \$47 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 Plan 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

REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BANGLADESH 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 Bangladesh (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 23.61 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, 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 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. 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 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, UNDP 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.

17. This revised updated Agreement supersedes the Agreement reached between the Government of Bangladesh and the Executive Committee at the 90th 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	45.42
HCFC-141b	C	I	21.23
HCFC-142b	C	I	5.72
HCFC-123	C	I	0.21
HCFC-124	C	I	0.07
Total	C	I	72.65

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2018	2019	2020-2021	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	65.39	65.39	47.22	47.22	47.22	47.22	23.61	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	50.86	50.86	47.22	47.22	30.50	26.50	23.61	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	2,142,405	0	0	2,142,405	0	630,324	0	4,915,134
2.2	Support costs for Lead IA (US \$)	149,968	0	0	149,968	0	44,123	0	344,059
2.3	Cooperating IA (UNEP) agreed funding (US \$)	360,000	0	0	0	0	174,680	0	534,680
2.4	Support costs for Cooperating IA (US \$)	46,333	0	0	0	0	22,482	0	68,815
3.1	Total agreed funding (US \$)	2,502,405	0	0	2,142,405	0	805,004	0	5,449,814
3.2	Total support costs (US \$)	196,301	0	0	149,968	0	66,605	0	412,874
3.3	Total agreed costs (US \$)	2,698,706	0	0	2,292,373	0	871,609	0	5,862,688
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								18.86
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								3.48
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								23.08
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)								20.20
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)*								1.03
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								5.15
4.3.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0.57
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.00
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 the previous stage (ODP tonnes)								0.21
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								0.00
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 the previous stage (ODP tonnes)								0.07
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0.00

Date of completion of stage I as per stage I Agreement: 1 January 2018

* Consumption of HCFC-141b is nil as the Government has imposed a ban on imported bulk HCFC-141b.

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 overall monitoring will be the responsibility of National Ozone Unit (NOU). The consumption will be monitored on cross-checking the data collected from relevant government departments with data collected, as required, from the relevant importers, distributors and consumers. The NOU will also be responsible for reporting and shall submit the following reports in timely manner:

- (a) Annual reports on consumption of substances to be submitted to the Ozone Secretariat;
- (b) Annual reports on the 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 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 \$490.7 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

**REVISED UPDATED 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 subparagraph 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 subparagraph 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 subparagraph 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 subparagraph 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 subparagraphs 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 91st 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	2024	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	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	730.02	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	3,078,900	0	2,627,704	7,168,396	0	0	1,400,000	0	0	0	14,275,000
2.2	Support costs for Lead IA (US \$)	215,523	0	183,939	501,788	0	0	98,000	0	0	0	999,250
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	1,748,175	0	0	1,902,953	0	0	116,000	0	0	0	3,767,128
2.4	Support costs for Cooperating IA (US \$)	122,372	0	0	133,207	0	0	8,120	0	0	0	263,699
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	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	0	97,129	860,000
2.7	Cooperating IA (Italy) agreed funding (US \$)	250,000	0	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	0	32,500
3.1	Total agreed funding (US \$)	6,376,461	0	3,314,682	11,434,986		1,004,545	3,016,000	0	0	872,727	26,019,401
3.2	Total support costs (US \$)	515,009	0	260,396	898,053		111,800	273,061	0	0	97,129	2,155,449
3.3	Total agreed costs (US \$)	6,891,470	0	3,575,078	12,333,039		1,116,345	3,289,061	0	0	969,856	28,174,850
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											164.85
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)											575.65
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 subparagraph 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 subparagraph 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 subparagraph 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 subparagraph 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 subparagraph (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 subparagraph 1(a) above) and the plan (see subparagraph 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 subparagraphs 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 subparagraphs 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 subparagraph 5(b) of the Agreement and subparagraph 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 \$111.90 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 XXVIII

REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN 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 Islamic Republic of Iran (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 95.13 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 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 approved (“the Plan”). In accordance with subparagraph 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 subparagraph 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;
 - (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 Plan, 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”) and UNEP, UNIDO, the Government of Germany, and the Government of 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 Cooperating IAs 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 subparagraph 5(b). The Cooperating IAs 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 IAs are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and Cooperating IAs with the fees set out in rows 2.2, 2.4, 2.6, 2.8 and 2.10 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 Cooperating IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and 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 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 subparagraph 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 subparagraphs 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.

17. This revised updated Agreement supersedes the updated Agreement reached between the Government of the Islamic Republic of Iran and the Executive Committee at the 92nd 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	163.6
HCFC-141b	C	I	216.9
Total			380.5

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	342.45	342.45	342.45	342.45	247.33	247.33	247.33	247.33	247.33	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	342.45	342.45	266.35	266.35	247.33	247.33	247.33	95.13	95.13	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	1,298,170	0	1,593,980	0	1,307,980	0	1,268,103	0	337,860	5,806,093
2.2	Support costs for Lead IA (US \$)	90,872	0	111,579	0	91,559	0	88,767	0	23,650	406,427
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	473,567	0	584,000	0	524,000	0	0	0	0	1,581,567
2.4	Support costs for Cooperating IA (US \$)	33,150	0	40,880	0	36,680	0	0	0	0	110,710
2.5	Cooperating IA (UNEP) agreed funding (US \$)	200,000	0	190,000	0	170,000	0	0	0	140,000	700,000
2.6	Support costs for Cooperating IA (US \$)	24,857	0	23,614	0	21,129	0	0	0	17,400	87,000
2.7	Cooperating IA (Germany) agreed funding (US \$)*	645,500	0	954,018	0	139,754	0	32,400	0	0	1,771,672
2.8	Support costs for Cooperating IA (US \$)	73,420	0	111,723	0	16,176	0	3,685	0	0	205,004
2.9	Cooperating IA (Italy) agreed funding (US \$)	403,203	0	504,004	0	0	0	0	0	0	907,207
2.10	Support costs for Cooperating IA (US \$)	48,797	0	60,996	0	0	0	0	0	0	109,793
3.1	Total agreed funding (US \$)	3,020,440	0	3,826,002	0	2,141,734	0	1,300,503	0	477,860	10,766,539
3.2	Total support costs (US \$)	271,096	0	348,792	0	165,544	0	92,452	0	41,050	918,934
3.3	Total agreed costs (US \$)	3,291,536	0	4,174,794	0	2,307,278	0	1,392,955	0	518,910	11,685,473
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										71.27
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)										38.6
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										53.73
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										91.1
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)										125.8
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										0.0

* The Government of Germany ceased being the Cooperating IA for stage II of the Plan at the 92nd meeting of the Executive Committee. Unused balances from the second, third and fourth tranches as well as the entire funding approved in principle for the fifth tranche were transferred to UNDP.

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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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 Department of the 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. The NOU shall compile and report on an

annual basis on or before the relevant due dates on consumption of the Substances to be submitted to the Ozone Secretariat and on progress of implementation of the Plan to be submitted to the Executive Committee.

3. The NOU and the Lead IA will engage an independent and qualified entity to carry out a qualitative and quantitative performance evaluation of the Plan implementation.

4. The evaluating entity shall have full access to relevant technical and financial information related to implementation of the Plan; it shall prepare and submit to the NOU and the Lead IA a consolidated draft report at the end of each Tranche 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, upon incorporating the comments and explanations, as may be applicable, from the NOU, the Lead IA and Cooperating IAs; the evaluating entity shall finalize the report and submit it to the NOU and the Lead IA.

5. 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 Tranche 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 Plan;
 - (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 are reflected in updates of the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraphs 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 including the activities implemented by the Cooperating IAs;
 - (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 IAs and ensuring an 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 IAs, 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, 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 Plan results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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 activities funded by the Cooperating IAs, referring to the Lead IA to ensure a coordinated sequence in 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 \$139 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 Plan 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. This section outlines a specific condition required to be met before the portion of funding shown in rows 2.1 to 2.10 and 3.1 to 3.3 of Appendix 2-A could be released:

- (a) That the Lead IA, the Cooperating IAs and the Country have included in the submission of the request for the second tranche a report on the results of the conversion of the first 15 enterprises in the refrigeration and air-conditioning manufacturing sector to low-global-warming-potential alternatives, highlighting the lessons learned and challenges faced.

Annex XXIX

UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF NIGERIA 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 Nigeria (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 112.09 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 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 stage III of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with subparagraph 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 subparagraph 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; Changes which would modify any clause of this Agreement;
 - (ii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iii) 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
 - (iv) 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 Plan, 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”) 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 coordinated 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 coordination of the Lead IA. The roles of the Lead IA and the 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 subparagraph 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 subparagraphs 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Nigeria and the Executive Committee at the 91st 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	248.5
HCFC-141b	C	I	96.4
Subtotal			344.9
HCFC-141b contained in imported pre-blended polyols	C	I	53.2
Total	C	I	398.2

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	224.19	224.19	224.19	112.09	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	224.19	167.81	167.81	112.09	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	0	0	0	0	0
2.2	Support costs for Lead IA (US \$)	0	0	0	0	0
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	1,944,347	0	1,199,847	0	3,144,194
2.4	Support costs for Cooperating IA (US \$)	136,104	0	83,989	0	220,093
3.1	Total agreed funding (US \$)	1,944,347	0	1,199,847	0	3,144,194
3.2	Total support costs (US \$)	136,104	0	83,989	0	220,093
3.3	Total agreed costs (US \$)	2,080,451	0	1,283,836	0	3,364,287
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)					68.98
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)					80.69
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)					98.85
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)					0
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)					96.4
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)					0
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
4.3.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)					53.3
4.3.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)					0

*Date of completion of stage II as per **decision 93/36(a)(xiv)**: 31 December 2026.

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 subparagraph 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 subparagraph 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 subparagraph (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 Plan 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 and will prepare a quarterly progress report for the project. The monitoring programme will therefore ensure effectiveness of all the proposed projects within the Plan through constant monitoring and periodic review of the performance of individual projects. Independent verification will be conducted by a consultant arranged by the Lead IA.

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, and its records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the Plan. The Lead IA, along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports and advise the appropriate national agencies through 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 Plan;
 - (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 subparagraphs 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 Plan results and the consumption of the Substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 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 \$351.78 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 Plan 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

UPDATED 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Sri Lanka and the Executive Committee at the 86th 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	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	0	413,200	0	53,200	0	62,400	745,000
2.2	Support costs for Lead IA (US \$)	15,134	0	0	28,924	0	3,724	0	4,368	52,150
2.3	Cooperating IA (UNEP) agreed funding (US \$)	200,800	0	0	85,800	0	86,800	0	41,600	415,000
2.4	Support costs for Cooperating IA (US \$)	26,104	0	0	11,154	0	11,284	0	5,408	53,950
3.1	Total agreed funding (US \$)	417,000	0	0	499,000	0	140,000	0	104,000	1,160,000
3.2	Total support cost (US \$)	41,238	0	0	40,078	0	15,008	0	9,776	106,100
3.3	Total agreed costs (US \$)	458,238	0	0	539,078	0	155,008	0	113,776	1,266,100
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 XXXI

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRANCHES
UNDER THE KIGALI HFC IMPLEMENTATION PLAN FOR ARMENIA**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	475,254	475,254	475,254	475,254	475,254	427,729	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	475,254	475,254	475,254	475,254	475,254	427,729	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	99,075	0	0	14,925	0	0	114,000
2.2	Support costs for Lead IA (US \$)	12,880	0	0	1,940	0	0	14,820
2.3	Cooperating IA (UNEP) agreed funding (US \$)	66,000	0	0	0	0	0	66,000
2.4	Support costs for Cooperating IA (US \$)	8,580	0	0	0	0	0	8,580
3.1	Total agreed funding (US \$)	165,075	0	0	14,925	0	0	180,000
3.2	Total support costs (US \$)	21,460	0	0	1,940	0	0	23,400
3.3	Total agreed costs (US \$)	186,535	0	0	16,865	0	0	203,400

Annex XXXII

**SCHEDULE OF HFC COMMITMENTS AND FUNDING TRANCHES
UNDER THE KIGALI HFC IMPLEMENTATION PLAN FOR BURKINA FASO**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	1,049,523	1,049,523	1,049,523	1,049,523	1,049,523	944,571	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	816,746	816,746	816,746	816,746	816,746	735,075	n/a
2.1	Lead IA (Government of Germany) agreed funding (US \$)	162,500	0	0	162,500	0	0	325,000
2.2	Support costs for Lead IA (US \$)	21,125	0	0	21,125	0	0	42,250
3.1	Total agreed funding (US \$)	162,500	0	0	162,500	0	0	325,000
3.2	Total support costs (US \$)	21,125	0	0	21,125	0	0	42,250
3.3	Total agreed costs (US \$)	183,625	0	0	183,625	0	0	367,250

Annex XXXIII

**SCHEDULE OF HFC COMMITMENTS AND FUNDING TRANCHES
UNDER THE KIGALI HFC IMPLEMENTATION PLAN FOR EL SALVADOR**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	923,806	923,806	923,806	923,806	923,806	831,425	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	923,806	923,806	923,806	923,806	923,806	831,425	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	180,000	0	0	144,000	0	36,000	360,000
2.2	Support costs for Lead IA (US \$)	23,400	0	0	18,720	0	4,680	46,800
3.1	Total agreed funding (US \$)	180,000	0	0	144,000	0	36,000	360,000
3.2	Total support costs (US \$)	23,400	0	0	18,720	0	4,680	46,800
3.3	Total agreed costs (US \$)	203,400	0	0	162,720	0	40,680	406,800

Annex XXXIV

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRANCHES
UNDER THE KIGALI HFC IMPLEMENTATION PLAN FOR ESWATINI**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	105,500	105,500	105,500	105,500	105,500	94,950	94,950	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	105,500	105,500	105,500	105,500	105,500	94,950	94,950	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	63,500	0	0	51,500	0	0	0	115,000
2.2	Support costs for Lead IA (US \$)	8,255	0	0	6,695	0	0	0	14,950
2.3	Cooperating IA (UNDP) agreed funding (US \$)	0	0	0	30,000	0	0	0	30,000
2.4	Support costs for Cooperating IA (US \$)	0	0	0	3,900	0	0	0	3,900
3.1	Total agreed funding (US \$)	63,500	0	0	81,500	0	0	0	145,000
3.2	Total support costs (US \$)	8,255	0	0	10,595	0	0	0	18,850
3.3	Total agreed costs (US \$)	71,755	0	0	92,095	0	0	0	163,850

Annex XXXV

**SCHEDULE OF HFC COMMITMENTS AND FUNDING TRANCHES
UNDER THE KIGALI HFC IMPLEMENTATION PLAN FOR THE GAMBIA**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	271,515	271,515	271,515	271,515	271,515	244,363	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	271,515	271,515	271,515	271,515	271,515	244,363	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	50,150	0	0	42,250	0	0	92,400
2.2	Support costs for Lead IA (US \$)	6,520	0	0	5,492	0	0	12,012
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	30,000	0	0	47,600	0	0	77,600
2.4	Support costs for Cooperating IA (US \$)	3,900	0	0	6,188	0	0	10,088
3.1	Total agreed funding (US \$)	80,150	0	0	89,850	0	0	170,000
3.2	Total support costs (US \$)	10,420	0	0	11,680	0	0	22,100
3.3	Total agreed costs (US \$)	90,570	0	0	101,530	0	0	192,100

Annex XXXVI

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRanches UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR HONDURAS**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	1,460,674	1,460,674	1,460,674	1,460,674	1,460,674	1,314,606	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	1,455,413	1,455,413	1,455,413	1,455,413	1,455,413	1,229,146	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	226,918	0	0	178,000	0	27,292	432,210
2.2	Support costs for Lead IA (US \$)	15,885	0	0	12,460	0	1,910	30,255
2.3	Cooperating IA (UNEP) agreed funding (US \$)	70,000	0	0	65,000	0	30,000	165,000
2.4	Support costs for Cooperating IA (US \$)	9,100	0	0	8,450	0	3,900	21,450
3.1	Total agreed funding (US \$)	296,918	0	0	243,000	0	57,292	597,210
3.2	Total support costs (US \$)	24,985	0	0	20,910	0	5,810	51,705
3.3	Total agreed costs (US \$)	321,903	0	0	263,910	0	63,102	648,915

Annex XXXVII

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRanches UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR THE LAO PEOPLE'S DEMOCRATIC REPUBLIC**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	324,226	324,226	324,226	324,226	324,226	291,803	291,803	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	324,226	324,226	324,226	324,226	324,226	291,803	291,803	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	34,000	0	0	80,000	0	0	0	114,000
2.2	Support costs for Lead IA (US \$)	4,420	0	0	10,400	0	0	0	14,820
2.3	Cooperating IA (UNDP) agreed funding (US \$)	76,000	0	0	0	0	0	0	76,000
2.4	Support costs for Cooperating IA (US \$)	9,880	0	0	0	0	0	0	9,880
3.1	Total agreed funding (US \$)	110,000	0	0	80,000	0	0	0	190,000
3.2	Total support costs (US \$)	14,300	0	0	10,400	0	0	0	24,700
3.3	Total agreed costs (US \$)	124,300	0	0	90,400	0	0	0	214,700

Annex XXXVIII

**SCHEDULE OF HFC COMMITMENTS AND FUNDING TRANCHES UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR LIBERIA**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	180,909	180,909	180,909	180,909	180,909	162,818	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	180,909	130,532	130,532	126,616	126,616	122,817	n/a
2.1	Lead IA (the Government of Germany) agreed funding (US \$)	72,500	0	0	72,500	0	0	145,000
2.2	Support costs for Lead IA (US \$)	9,425	0	0	9,425	0	0	18,850
3.1	Total agreed funding (US \$)	72,500	0	0	72,500	0	0	145,000
3.2	Total support costs (US \$)	9,425	0	0	9,425	0	0	18,850
3.3	Total agreed costs (US \$)	81,925	0	0	81,925	0	0	163,850

Annex XXXIX

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRANCHES
UNDER THE KIGALI HFC IMPLEMENTATION PLAN FOR MONTENEGRO**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	155,854	155,854	155,854	155,854	155,854	140,269	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	155,854	136,739	133,949	131,158	128,368	125,577	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	115,050	0	0	74,550	0	0	189,600
2.2	Support costs for Lead IA (US \$)	14,956	0	0	9,692	0	0	24,648
3.1	Total agreed funding (US \$)	115,050	0	0	74,550	0	0	189,600
3.2	Total support costs (US \$)	14,956	0	0	9,692	0	0	24,648
3.3	Total agreed costs (US \$)	130,006	0	0	84,242	0	0	214,248

Annex XL

**SCHEDULE OF HFC COMMITMENTS AND FUNDING TRANCHES UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR MOZAMBIQUE**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	655,255	655,255	655,255	655,255	655,255	589,730	589,730	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	655,255	655,255	655,255	655,255	655,255	589,730	589,730	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	83,500	0	81,500	0	0	0	42,000	207,000
2.2	Support costs for Lead IA (US \$)	10,855	0	10,595	0	0	0	5,460	26,910
2.3	Cooperating IA (UNDP) agreed funding (US \$)	86,000	0	6,000	0	0	0	26,000	118,000
2.4	Support costs for Cooperating IA (US \$)	11,180	0	780	0	0	0	3,380	15,340
3.1	Total agreed funding (US \$)	169,500	0	87,500	0	0	0	68,000	325,000
3.2	Total support costs (US \$)	22,035	0	11,375	0	0	0	8,840	42,250
3.3	Total agreed costs (US \$)	191,535	0	98,875	0	0	0	76,840	367,250

Annex XLI

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRANCHES UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR PARAGUAY**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	1,684,582	1,684,582	1,684,582	1,684,582	1,684,582	1,516,124	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	1,684,582	1,684,582	1,684,582	1,684,582	1,684,582	1,516,124	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	235,675	0	0	188,540	0	47,135	471,350
2.2	Support costs for Lead IA (US \$)	16,497	0	0	13,198	0	3,300	32,995
3.1	Total agreed funding (US \$)	235,675	0	0	188,540	0	47,135	471,350
3.2	Total support costs (US \$)	16,497	0	0	13,198	0	3,300	32,995
3.3	Total agreed costs (US \$)	252,172	0	0	201,738	0	50,435	504,345

Annex XLII

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRANCHES
UNDER THE KIGALI HFC IMPLEMENTATION PLAN FOR SAINT LUCIA**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025-2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	83,735	83,735	83,735	83,735	75,362	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	83,735	83,735	83,735	83,735	75,362	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	43,000	0	38,000	0	13,000	94,000
2.2	Support costs for Lead IA (US \$)	5,590	0	4,940	0	1,690	12,220
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	27,000	0	24,000	0	0	51,000
2.4	Support costs for Cooperating IA (US \$)	3,510	0	3,120	0	0	6,630
3.1	Total agreed funding (US \$)	70,000	0	62,000	0	13,000	145,000
3.2	Total support costs (US \$)	9,100	0	8,060	0	1,690	18,850
3.3	Total agreed costs (US \$)	79,100	0	70,060	0	14,690	163,850

Annex XLIII

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRANCHES UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR SEYCHELLES**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	249,400	249,400	249,400	249,400	249,400	224,460	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	249,400	249,400	249,400	249,400	249,400	224,460	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	64,836	0	0	20,424	0	0	85,260
2.2	Support costs for Lead IA (US \$)	8,429	0	0	2,655	0	0	11,084
2.3	Cooperating IA (Germany) agreed funding (US \$)	16,844	0	0	55,896	0	0	72,740
2.4	Support costs for Cooperating IA (US \$)	2,190	0	0	7,266	0	0	9,456
3.1	Total agreed funding (US \$)	81,680	0	0	76,320	0	0	158,000
3.2	Total support costs (US \$)	10,619	0	0	9,921	0	0	20,540
3.3	Total agreed costs (US \$)	92,299	0	0	86,241	0	0	178,540

Annex XLIV

**SCHEDULE OF HFC PHASE-DOWN COMMITMENTS AND FUNDING TRANCHES UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR SIERRA LEONE**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	350,905	350,905	350,905	350,905	350,905	315,815	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	345,642	339,676	333,711	327,746	321,780	315,815	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	65,500	0	0	38,817	0	0	104,317
2.2	Support costs for Lead IA (US \$)	8,515	0	0	5,046	0	0	13,561
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	21,000	0	0	54,683	0	0	75,683
2.4	Support costs for Cooperating IA (US \$)	2,730	0	0	7,109	0	0	9,839
3.1	Total agreed funding (US \$)	86,500	0	0	93,500	0	0	180,000
3.2	Total support costs (US \$)	11,245	0	0	12,155	0	0	23,400
3.3	Total agreed costs (US \$)	97,745	0	0	105,655	0	0	203,400

Annex XLV

**SCHEDULE OF HFC COMMITMENTS AND FUNDING TRANCHES UNDER
THE KIGALI HFC IMPLEMENTATION PLAN FOR TUNISIA**

Kigali HFC implementation plan (stage I)

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances (CO ₂ -eq tonnes)	2,367,840	2,367,840	2,367,840	2,367,840	2,367,840	2,131,056	2,131,056	n/a
1.2	Maximum allowable total consumption of Annex F substances (CO ₂ -eq tonnes)	2,367,840	2,367,840	2,367,840	2,367,840	2,367,840	2,131,056	1,803,694	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	1,526,566	0	0	435,875	0	0	104,740	2,067,181
2.2	Support costs for Lead IA (US \$)	106,860	0	0	30,511	0	0	7,332	144,703
2.3	Cooperating IA (UNEP) agreed funding (US \$)	50,000	0	0	45,000	0	0	15,000	110,000
2.4	Support costs for Cooperating IA (US \$)	6,500	0	0	5,850	0	0	1,950	14,300
3.1	Total agreed funding (US \$)	1,576,566	0	0	480,875	0	0	119,740	2,177,181
3.2	Total support costs (US \$)	113,360	0	0	36,361	0	0	9,282	159,003
3.3	Total agreed costs (US \$)	1,689,926	0	0	517,236	0	0	129,022	2,336,184

Annex XLVI

**DRAFT GUIDELINES FOR FUNDING THE PHASE-DOWN OF HFCS IN ARTICLE 5 COUNTRIES,
INCLUDING CONSIDERATION OF OPERATIONALIZING PARAGRAPH 24 OF DECISION XXVIII/2**

FINAL WORKING TEXT: ARTICLE 5 AND NON-ARTICLE 5 PROPOSALS FOR LARGE ENTERPRISES AND IOCS

Sector	A5 proposal (US \$/kg)		Non-A5 proposal (US \$/kg)		Agreed (US \$/kg)	
	Large – CE Threshold	IOCs	Large – CE threshold	IOCs	Large – CE threshold	IOCs
Domestic refrigeration	13.76	7.50 8.00	13.76	4.7 4.5	13.76	5.75
Commercial refrigeration	17.50 18.00	6.50 8.00	15.40 15.21	5.1 4.8		5.50
Stationary AC – residential	16.00	8.30 20.00	11.5	7.10 6.7		
Stationary AC – commercial	18.00	9.30 15.00	13.0	7.05 6.5		
Industrial/transport refrigeration	Case-by-case	Case-by-case	Case-by-case	Case-by-case	Case-by-case	Case-by-case
PU Foam	9.00	8.00 9.00	9.00	4.6 4.5	9.00	5.20
All other sectors	Case-by-case	Case-by-case	Case-by-case	Case-by-case	Case-by-case	Case-by-case

* For all sectors, 25 per cent above CE thresholds for enterprises consuming up to 15 mt based on conditions proposed by Secretariat [20 mt for foam]

** For microenterprises with consumption of less than 1 mt that are part of an umbrella project could receive up to twice the agreed CE threshold as long as the cost effectiveness of the umbrella project is within the agreed threshold for the sector.

- (i) The above proposal is for large enterprises having consumption >15 MT for all sectors, except foam sector for which the consumption is >20 MT.
- (ii) Separate Proposal will be developed for SMEs having consumption up to 15 MT for all sectors, except foam sector for which the consumption is up to 20 MT.

WORKING TEXT ON HFC COST GUIDELINES: NON-ARTICLE 5 PROPOSAL AS OF 30 MAY 2024

Sector	CE threshold (US \$/kg) ¹	CE threshold for SMEs (=1<15 mt)* (US \$/kg)	CE thresholds for micro- enterprises (<1 mt) (US \$/kg)**	IOCs (one year) (US \$/kg) ¹
Domestic refrigeration	13.76 (already agreed)	17.2	27.52	[4.0] 4.2
Commercial refrigeration	15.21	19.01	30.42	[4.0] 4.2
Stationary AC – residential	11.3	13.79	22.6	[6.3] 6.4
Stationary AC – commercial	13.0	16.25	26	6.3
Industrial/transport refrigeration	11.0	13.75	22	[4.0] 4.2
PU foam	9.0	11.25	18	[3.6] 3.8
All other sectors	Case-by-case	Case-by-case	Case-by-case	Case-by-case

* For all sectors, 25 per cent above CE thresholds for enterprises consuming up to 15 mt based on conditions proposed by Secretariat

** For microenterprises with consumption of less than 1 mt that are part of an umbrella project could receive up to twice the agreed CE threshold as long as the cost effectiveness of the umbrella project is within the agreed threshold for the sector.

Starting point

- Methodology: as per Australian draft decision
- Consideration of one or two starting points (one for manufacturing and one for servicing?)
- Starting point formula: to defer discussion until first meeting in 2026

¹ Subsequent proposal was made by non-Article 5 countries (see page 1 of annex XLVI: Final working text: Article 5 and non-Article 5 proposals for large enterprises and IOCs).

WORKING TEXT ON HFC COST GUIDELINES: ARTICLE 5 PROPOSAL AS OF 28 MAY 2024

Micro (upto 1 ton)					
Small (>1 to <=7 ton)					
Medium (>7 to <=15 ton)					
Large (>15 ton)					
Sector	Micro (US\$)	Small (US\$)	Medium (US\$)	Large (US\$) ²	IOCs (US\$) ²
Domestic refrigeration	75000	85000	13.76	13.76	15.00
Commercial refrigeration	75000	85000	18.00	18.00	15.00
Stationary AC - residential	85000	105000	16.00	16.00	24.00
Stationary AC – commercial	Case by case basis	Case by case basis	18.00	18.00	15.00
Industrial/transport refrigeration	Case by case basis	Case by case basis			
PU Foam	14	14	9.0	9.00	15.00
All other sectors	Case by case basis	Case by case basis			

² Subsequent proposal was made by Article 5 countries (see page 1 of annex XLVI: Final working text: Article 5 and non-Article 5 proposals for large enterprises and IOCs).

**WORKING TEXT ON THE DEFINITION OF
SMALL AND MEDIUM-SIZED ENTERPRISES**

(Annex LXII of document UNEP/OzL.Pro/ExCom/93/105)

1. The Executive Committee may wish to consider defining small and medium-sized enterprises (SMEs) in the commercial refrigeration and air-conditioning (RAC) manufacturing sector as enterprises with HFC consumption of [small between 1-10 mt] [medium between 10-15 mt] [micro <1 mt] [7 mt] [15 mt] or less manufacturing commercial air-conditioning (AC) or commercial refrigeration equipment, on the understanding that:

- (a) The entirety of HFC consumption by the enterprise will be considered, rather than just consumption of the line or the process to be converted;
- (b) An enterprise that manufactures more than 40,000 units of equipment per year, irrespective of whether all such equipment is HFC-based, will not be considered an SME for funding purposes; and
- (c) [An enterprise will not be considered an SME if it is owned or partly owned by a multinational corporation, regardless of whether that corporation is owned by an Article 5 country, or if it exports more than 10 per cent of its products to non-Article 5 countries];
- (d) [Micro-enterprises which are enterprises with consumption of less than 1 mt that are part of an umbrella project could receive funding up to twice the agreed cost-effectiveness threshold, as long as the overall cost-effectiveness of the umbrella project fell within the sectoral threshold established by the Executive Committee; the umbrella project included all the remaining enterprises in a sector or subsector for which cost-effectiveness thresholds had been established; and it was understood that the country concerned would submit no further requests for funding from the Multilateral Fund for any enterprise in that sector or subsector, in line with decision 19/32(a)].

**WORKING TEXT ON THE STARTING POINT
FOR SUSTAINED AGGREGATE REDUCTIONS IN HFC CONSUMPTION**

Submitted by the Government of Australia

(Annex LXII of document UNEP/OzL.Pro/ExCom/93/105)

1. The Executive Committee decided:
 - (a) To note the paper on the starting point for sustained aggregate reductions in HFC consumption contained in document UNEP/OzL.Pro/ExCom 93/97;
 - (b) That the unit of measurement for the starting point would be CO₂-equivalent tonnes, on the understanding that the reductions from the starting point would be accounted for in accordance with the approach outlined in paragraphs 8 to 15 of document UNEP/OzL.Pro/ExCom 93/97;
 - (c) That the quantities of HFCs with lower global-warming potential phased in by enterprises under manufacturing conversions supported by the Multilateral Fund would be eligible for funding if necessary for the country concerned to meet the final HFC phase-down step, irrespective of whether the country had sufficient remaining consumption eligible for funding, in line with paragraph 18(e) of decision XXVIII/2 and the agreed eligibility requirements of the Multilateral Fund;
 - (d) That during each stage of a Kigali HFC implementation plan for a country with HFC consumption in the manufacturing sector, the bilateral and implementing agencies concerned would identify and report on any HFC consumption at ineligible enterprises, ineligible consumption, and HFC consumption phased out in manufacturing enterprises without assistance from the Multilateral Fund; and
 - (e) To note that, [as was the case with the HCFC cost guidelines], for low-volume-consuming countries with consumption in the servicing sector only, no starting point would be applied as funding would be based on the modality represented by the table contained in decision 92/37.

Annex XLVII

WORKING DOCUMENT ON THE TEMPLATE FOR AN AGREEMENT FOR STAGE I OF KIP HFC IMPLEMENTATION PLANS

Colour-coding is used to guide bilateral and implementing agencies and Article 5 countries in drafting their Agreements. The colours are explained below:

- Pink is used for all required entries to be filled in by the country, including main text and the tables
- Green is used for optional paragraphs related to the manufacturing sector or technology; these sections should be removed from the Agreement where not relevant or applicable
- Blue is used for differentiation between one and several agencies

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF [COUNTRY] AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: [initial year-final year])

Purpose

1. This Agreement represents the understanding of the Government of [country] (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of [value] CO₂-equivalent (CO₂-eq) tonnes by 1 January [year] in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F 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 Annex F 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 Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level[s] defined in row[s] 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 stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances 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 [10/12] 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 accordance with 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 accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval 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 approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- (a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted [10/12] 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 that would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to the 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;

- (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- (b) Reallocations not categorized as major changes may be incorporated into 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 included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; 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.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

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. [Lead agency] has agreed to be the lead implementing agency (the “Lead IA”) [and [Cooperating agency] has/have agreed to be the cooperating implementing agency/agencies (the “Cooperating IA[s]”) 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[s]] 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 the independent verification as per subparagraph 5(b). [The Cooperating IA[s] will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA.] The role[s] of the Lead IA [and Cooperating IA[s]] is/[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[s]] with the fees set out in row[s] 2.2 [and 2.4...] of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F 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 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 CO₂-eq 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[s]] to facilitate implementation of this Agreement. In particular, it will provide the Lead IA [and the Cooperating IA[s]] 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 subparagraph 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 subparagraphs 1(a), 1(b), and 1(d) 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 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

Substances	Starting point for aggregate reductions in consumption [(GDP CO ₂ -eq tonnes)]
Annex F substances	
[HFC-141b] Annex F substances contained in imported pre-blended polyols	

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2023	2024	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	10	
		CO ₂ -eq tonnes					
1.2	Maximum allowable total consumption of Annex F substances	%					
		CO ₂ -eq tonnes					

Row	Particulars	2023	2024	2029	Total
2.1	Lead IA ([Lead agency]) agreed funding (US \$)						
2.2	Support costs for Lead IA (US \$)						
2.3	Cooperating IA ([Cooperating agency]) agreed funding (US \$)						
2.4	Support costs for Cooperating IA (US \$)						
3.1	Total agreed funding (US \$)						
3.2	Total support costs (US \$)						
3.3	Total agreed costs (US \$)						
4.1.1	Total phase-down out of <u>Annex F substances</u> {substance-1} agreed to be achieved under this Agreement [(ODP-CO ₂ -eq tonnes)]						
4.1.2	Phase-down out of <u>Annex F substances</u> {substance-1} to be achieved in previous <u>projects</u> [(ODP-CO ₂ -eq tonnes)]						
4.1.3	Remaining eligible consumption for <u>Annex F substances</u> {substance-1} [(ODP-CO ₂ -eq tonnes)]						
[4.2.1	Total phase-down out of <u>HCFC-141b</u> <u>Annex F substances</u> contained in imported pre-blended polyols agreed to be achieved under this Agreement [(ODP-CO ₂ -eq tonnes)]						
4.2.2	Phase-down out of <u>HCFC-141b</u> <u>Annex F substances</u> contained in imported pre-blended polyols to be achieved in previous <u>projects</u> [stages(ODP-CO ₂ -eq tonnes)], <u>where applicable</u>						
4.2.3	Remaining eligible consumption for <u>Annex F substances</u> <u>HCFC-141b</u> contained in imported pre-blended polyols [(ODP-CO ₂ -eq tonnes)]						

[*Date of completion of stage I as per stage I Agreement: {day/month/year}]

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the [first/second] meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF THE TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of four 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-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the 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, use of flexibility for the 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 on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

- (c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, 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 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 subparagraph 1(a) above; and
- (d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. _____ [This section must be completed by the Country and the Lead agency. It must provide a detailed and credible indication of how progress is to be monitored, [including post project completion,] and which organizations will be responsible for the activities: [and monitoring post project completion]

2. _____ [The country and leading implementing agency will specify the role of the NOU and PMU, if any, in monitoring and reporting including after the completion of the project]

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 Plan;
 - (b) Assisting the Country in the 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 are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee [including the activities implemented by the Cooperating IA[s]];
 - (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 HFC 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 for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) [Coordinating the activities of the Cooperating IA[s] and ensuring the 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[s]], 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 the policy, management and technical support when required;
- (n) [Reaching consensus with the Cooperating IA[s] 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 Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES [delete section if not needed]

1. The Cooperating IA[s] 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[s], and referring to the Lead IA to ensure a coordinated sequence of 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 WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$[value] [for non-low-volume-consuming (LVC) countries the figure would be twice the cost effectiveness of the project in US \$/CO₂-eq tonne; for LVC countries the amount would be US \$7.00] per CO₂-eq tonne 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. Where the country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently, confiscated, destroyed, exported, or returned to the country of origin.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS [delete section if not needed]

1. [Appendix 8-A is foreseen for situations where the Country and/or the Lead/Cooperating agencies wish to include in the Agreement any sector-specific arrangements. This will be mostly the case for non-LVC countries. Specifically, this appendix can be used in cases where there have been sector plans or sector phase-out projects prior to the submission of the Plan, which are subsumed into the Plan and where the related conditions require reflection in this Agreement. The appendix can also be used if the Country requests to extend the provisions of Appendix 2-A by adding sector-specific funding, phase-down schedules, or additional responsibilities for the Lead/Cooperating agencies. In cases where Appendix 8-A is needed, a reference should be included in the appropriate section of the Agreement. If only minor arrangements are required, the reference could be included in one of the appendices, in particular Appendix 6.]