



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/63/60/Corr.1*
26 May 2011

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-third Meeting
Montreal, 4-8 April 2011

REPORT OF THE SIXTY-THIRD MEETING OF THE EXECUTIVE COMMITTEE

Corrigendum

Paragraph 100(b)

Replace the figure “US \$1,427,915” *with* “US \$1,562,509”.

Paragraph 164

Replace “Following the report of a contact group, the Executive Committee decided:” *with* “Following the report of a contact group, where it was agreed that stage I of the HPMP should address the phase-out of 62.7 ODP tonnes of HCFC-141b in the foam sector and 29.3 ODP tonnes of HCFC-22 used by one large enterprise for manufacturing air-conditioning systems, and an additional US \$500,000 should be allocated for activities in the refrigeration servicing sector, the Executive Committee decided:”

Paragraph 164(c)

Replace the figure “107.10” *with* “101.3”.

Annex X

Iran: HCFC phase-out management plan (stage I, first tranche)

- Under the foam sector plan:
 - *replace* “UNIDO and the Government were requested to deduct 38.3 ODP tonnes of HCFCs” *with* “UNIDO and the Government were requested to deduct 32.2 ODP tonnes of HCFCs”;
 - *replace* “Germany and the Government were requested to deduct 27.4 ODP tonnes of HCFCs” *with* “Germany and the Government were requested to deduct 30.5 ODP tonnes of HCFCs”;

* Re-issued for technical reasons.

- Under the refrigeration servicing sector:
 - *replace* “Germany and the Government were requested to deduct 12.9 ODP tonnes of HCFCs” *with* “Germany and the Government were requested to deduct 6.1 ODP tonnes of HCFCs” and
 - *replace* “UNEP and the Government were requested to deduct 3.24 ODP tonnes of HCFCs” *with* “UNEP and the Government were requested to deduct 3.2 ODP tonnes of HCFCs”
- Under the air conditioning sector plan, *replace* “UNDP and the Government were requested to deduct 25.3 ODP tonnes of HCFCs” *with* “UNDP and the Government were requested to deduct 29.3 ODP tonnes of HCFCs”.

Annex XXXVII

Replace rows 4.1.1 to 4.2.3 of Appendix 2-A: “The Targets, and Funding” *with* the following:

4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)	38.6
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)	-
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)	134.7
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)	62.7
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)	-
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)	119.7



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UNEP/OzL.Pro/ExCom/63/60
28 April 2011

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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
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Sixty-third Meeting
Montreal, 4-8 April 2011

REPORT OF THE SIXTY-THIRD MEETING OF THE EXECUTIVE COMMITTEE

Introduction

1. The 63rd 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, Montreal, Canada, from 4 to 8 April 2011.
2. The meeting was attended by representatives of the following countries, members of the Executive Committee in accordance with decision XXII/24 of the Twenty-Second Meeting of the Parties to the Montreal Protocol:
 - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Australia (Chair), Belgium, the Czech Republic, France, Japan, Switzerland, and the United States of America; and
 - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Argentina, China, Cuba, Grenada, Kenya, Kuwait and Morocco.
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 the Deputy Executive Secretary of the Ozone Secretariat and the President of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol were also present.
5. A representative of the Secretariat of the Global Environment Facility (GEF) and the Co-Chairs of the Technology and Economic Assessment Panel (TEAP), the Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee (RTOC), and the Foams Technical Options Committee (FTOC) also attended.

6. Representatives of the Alliance for Responsible Atmospheric Policy and the Environmental Investigation Agency attended as observers.

AGENDA ITEM 1: OPENING OF THE MEETING

7. The meeting was opened by the Chair, Mr. Patrick McInerney (Australia), who began by noting the sad start to the year, with a series of disasters that had ravaged several countries, for which he expressed sympathy on behalf of the Executive Committee. He reminded members that business planning at the present meeting would set the direction for the year's work, and that 2011 being a replenishment year, any decisions made on policy and project approvals would have an impact on the final outcome of the replenishment discussions.

8. It would be important for the Executive Committee to provide strategic direction for the bilateral and implementing agencies' 2011-2014 business plans and to ensure that financial and business planning was based firmly on the compliance needs of Article 5 countries, especially for 2011, the last year of the current replenishment period, while taking into account the total resources remaining for the current year and the potential resources available for the coming triennium, compared to the funding levels in the business plans submitted for approval. The climate impact benchmarks in particular would allow the effect of HCFC phase-out management plan (HPMP) activities on climate to be assessed for planning purposes. The Committee would also be called on to provide guidance on the proposed monitoring and evaluation work programmes for 2011 and 2012.

9. Lastly, several HPMPs were being submitted for consideration and he urged the Committee to review them in light of the guidelines and other policies agreed so far, noting that their approval would considerably assist Article 5 countries to implement activities that would enable them to comply with the phase-out targets established by the Montreal Protocol.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

10. The Executive Committee adopted the agenda of the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/63/1.

1. Opening of the meeting.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
3. Secretariat activities.
4. Status of contributions and disbursements.
5. Status of resources and planning:
 - (a) Report on balances and availability of resources;
 - (b) Availability of cash flow for the 2011 budget;
 - (c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol.

6. 2011-2014 business plans:
 - (a) Consolidated business plan of the Multilateral Fund;
 - (b) Business plans of the implementing agencies:
 - (i) Bilateral agencies;
 - (ii) UNDP;
 - (iii) UNEP;
 - (iv) UNIDO;
 - (v) World Bank.
7. Programme implementation:
 - (a) Monitoring and evaluation: draft monitoring and evaluation work programme for 2011 and 2012;
 - (b) Annual tranche submission delays;
 - (c) Report on implementation of approved projects with specific reporting requirements.
8. Project proposals:
 - (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Work programmes:
 - (i) 2011 work programme of UNDP;
 - (ii) 2011 work programme of UNEP;
 - (iii) 2011 work programme of UNIDO;
 - (iv) 2011 work programme of the World Bank;
 - (d) Investment projects.
9. Country programme.
10. Report on the multi-year agreement tables database for HCFC phase-out management plans (decision 59/7).
11. Report on the Multilateral Fund Climate Impact Indicator (decisions 59/45 and 62/62).
12. Report of the Production Sector Sub-group.
13. Other matters.

14. Adoption of the report.
15. Closure of the meeting.

11. The Executive Committee agreed to include a sub-item on the exceptional circumstances in the former Yugoslav Republic of Macedonia in the discussion under agenda item 13 (Other matters). At the request of the Secretariat, a sub-item on the date and venue of the 65th Executive Committee meeting was also included under agenda item 13.

(b) Organization of work

12. The meeting agreed to follow its customary procedure.

13. The Chair informed members of the need to convene a new sub-group on the production sector, to be composed of a maximum of eight members, four each from Article 5 and non-Article 5 countries. The Executive Committee was subsequently informed of the following nominations for the sub-group: Argentina, Australia, China, Cuba, Japan, Kuwait, Switzerland, and the United States of America.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

14. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/63/2, which provided an overview of the work done by the Fund Secretariat since the 62nd meeting.

15. The Secretariat had taken follow-up action on decisions taken at the 62nd meeting on resource mobilization and on the report prepared for the 31st meeting of the Open-Ended Working Group on progress in reducing emissions of ODS from process agent uses.

16. The Secretariat had prepared nearly 60 documents for the present meeting and had reviewed 111 funding requests for an amount exceeding US \$688 million, including 29 HPMPs for individual Article 5 countries, plus a regional HPMP covering 12 Pacific Island Countries (PICs). Ninety projects representing funding requests totalling over US \$644 million were for individual consideration by the Committee, and 17 were for blanket approval.

17. A number of documents were of particular importance as they dealt with the future commitments and policies of the Multilateral Fund. They included the consolidated business plan of the Fund for 2011 to 2014, the overview of issues identified during project review, the status of resources and planning, and three documents for the Production Sector Sub-group.

18. The Chief Officer had participated in a high-level mission to Nepal on 24 and 25 March 2011 to discuss ratification of the Copenhagen and other remaining amendments to the Montreal Protocol. The mission had been advised that the Government of Nepal was fully committed to ratifying the amendments as soon as possible. In line with subparagraph (a)(ii) of decision 62/53, the Government had already written to the Ozone Secretariat requesting to be considered under Article 4 of the Protocol as a Party in full compliance with the control measures.

19. The Chief Officer reported that the recruitment process to fill the vacant P-5 Senior Programme Management Officer position had been successfully completed, and that the new staff member would be joining the Secretariat in the very near future.

20. In response to a request from one member for an update on the status of the Russian Federation's contribution, the Chief Officer said that there had been no further developments but that she expected to make a fuller report at the 65th meeting.

21. The Executive Committee took note with appreciation of the report on Fund Secretariat activities.

AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS

22. The Treasurer introduced document UNEP/OzL.Pro/ExCom/63/3 and provided updated information on countries' contributions to the Fund as at 31 March 2011. He said that, based on the level of expected project approvals at the present meeting, it had been decided to request the accelerated encashment of outstanding promissory notes, and he thanked the Government of France for having taken steps to transfer the proceeds from their promissory notes to the Fund's account. He also said that UNEP was adopting an accounting policy that required it to make provision for doubtful debts and that the policy would also be applied to the accounts of the Multilateral Fund.

23. One member stated his country's support for the International Public Sector Accounting Standards (IPSAS) and the use of a provision for doubtful debt accounts, which he emphasized should reflect outstanding pledged amounts to the Multilateral Fund that were over four years old. He also indicated that the Government of the United States of America did not agree with its outstanding contribution entry in Table 5 of document UNEP/OzL.Pro/ExCom/63/3.

24. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements and the information on promissory notes, as contained in Annex I to the present report;
- (b) To note the encashment of its promissory note by the Government of France;
- (c) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible; and
- (d) To note the obligation of UNEP, as Treasurer of the Multilateral Fund, to make provision for doubtful debts in the accounts of the Multilateral Fund in line with the recommendation of the United Nations Board of Auditors.

(Decision 63/1)

AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING

(a) Report on balances and availability of resources

25. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/4, which raised issues with respect to obligated and unobligated balances for projects completed over two years earlier that were still being withheld by some implementing agencies. She informed the Executive Committee that, after the return of balances and taking into consideration the updated information on the status of the Fund, there were insufficient funds to meet the requests being submitted to the 63rd meeting for funding.

26. One member expressed concern that outstanding balances for projects that had been completed two years earlier were not being returned to the Fund. The representative of UNIDO explained that, because of UNIDO's internal accounting rules, until projects had been financially completed UNIDO had been unable to return the outstanding balances in question. The representative of the Secretariat clarified that the recommendations from the Secretariat addressed balances on projects completed two or more years prior to the 63rd meeting.

27. The Executive Committee decided:

- (a) To note:
 - (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/63/4;
 - (ii) That the net level of funds being returned by the implementing agencies at the 63rd meeting was US \$147,387 against projects, which included the return of US \$67,890 from UNDP, US \$39,140 from UNEP, and US \$40,357 from UNIDO;
 - (iii) That the net level of support costs being returned by the implementing agencies at the 63rd meeting was US \$15,670 against projects, which included the return of US \$8,707 from UNDP, US \$3,591 from UNEP and US \$3,372 from UNIDO;
 - (iv) With concern that implementing agencies had balances totalling US \$3,301,923, excluding support costs, from projects completed over two years prior to the meeting, which included US \$886,174 for UNDP, US \$1,124,885 for UNEP, US \$634,543 for UNIDO, and US \$656,321 for the World Bank;
 - (v) That bilateral agencies had balances totalling US \$96,319, excluding support costs, from projects completed over two years earlier, attributable to the Governments of France and Japan;
 - (vi) That the net level of funds and support costs being returned by the bilateral agencies at the 63rd meeting was US \$1,008,739, including the return of US \$558,527 from the Government of Canada, US \$52,712 from the Government of Finland, and US \$397,500 from the Government of France;
- (b) To request the Treasurer to follow up with the Governments of Canada, Finland and France the cash transfer of the amounts indicated in subparagraph (a)(vi) above;
- (c) Noting the consent of the Government of the Islamic Republic of Iran, to approve the transfer of the halon project in the Islamic Republic of Iran (IRA/HAL/28/TAS/49) from the Government of France to UNIDO, at the amount of US \$397,500 in project costs, plus agency support costs of US \$29,813 for UNIDO, and to offset US \$397,500 for bilateral funding by the Government of France;
- (d) Noting the consent of the Government of Mexico, to approve the transfer of the national methyl bromide phase-out plan in Mexico (second tranche) (MEX/FUM/60/INV/149) from the Government of Canada to UNIDO, at the amount of US \$500,000 in project costs, plus agency support costs of US \$37,500 for UNIDO, and to offset US \$500,000, plus support costs of US \$58,527 for bilateral funding by the Government of Canada;
- (e) To request UNDP to follow up on clearing the obligated balances and to report progress made on the financially closed projects by the 64th meeting;
- (f) To note the explanation by UNEP regarding the obligated balance against the institutional strengthening project in Peru, approved in 2002 at the 29th meeting of the Executive Committee, and to request UNEP to justify obligated balances for projects completed over two years previously at the 64th meeting; and

- (g) To request UNIDO to expedite the financial completion of projects with obligated and unobligated balances for projects completed two years earlier with a view to returning the unobligated balances at the 64th meeting.

(Decision 63/2)

(b) Availability of cash flow for the 2011 budget

28. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/5, which contained an assessment of cash flow for the 2011 budget, and said that up to US \$54.8 million of programmable funding might not be available until after 2011 owing to the practice of Parties paying 79 per cent of their contributions during the year in which they were due, and the fact that some promissory notes had fixed encashment schedules and were only available for encashment after the triennium in which they were due.

29. One member urged those Parties that made their contributions by promissory notes with fixed encashment schedules to accelerate the schedules.

30. The Executive Committee decided:

- (a) To note the information on the availability of cash flow for the 2011 budget, as contained in document UNEP/OzL.Pro/ExCom/63/5;
- (b) To agree on a 2011 budget of US \$275.4 million, while noting that only US \$220.6 million were likely to be available in 2011; and
- (c) To urge Parties with fixed encashment schedules to accelerate those encashment schedules for their promissory notes, as needed.

(Decision 63/3)

(c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol

31. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/6. He informed the Executive Committee that the delay in the project to phase out CTC as a process agent in the elimination of nitrogen trichloride during chlorine production at Prodesal S.A. in Colombia (COL/PAG/48/INV/66), implemented by UNDP, had been due to a change of ownership, but that it had been completed at the end of 2010. He also said that, according to information held by the Ozone Secretariat Ethiopia and Lesotho, which had ratified the Montreal Amendment in 2009 and 2010 respectively, had yet to establish licensing systems.

32. With regard to countries still to ratify the Copenhagen Amendment, the Committee recalled the progress made by Nepal, as outlined by the Chief Officer under agenda item 3 (Secretariat activities), above. Furthermore, the representative of UNEP's Compliance Assistance Programme (CAP) explained that Angola had informed the Ozone Secretariat in writing on 9 March 2011 that it had made progress in ratifying the four outstanding amendments to the Montreal Protocol and on 14 March the Ozone Secretariat had provided the Government of Angola with advice on depositing the instruments of ratification.

33. It was widely considered that more information was required about the reasons for which there had been so little use of the web-based portal for the Country Programme (CP) data reporting before the Committee would be able to decide whether to make its use mandatory. In terms of promoting the use of

and the appropriate procedure for submission via the web-based portal, CAP's regional networks could be a useful platform for promoting the use of the system and informing ozone officers of the appropriate submission procedure.

34. Following the discussion, the Executive Committee decided:

(a) To note:

- (i) With appreciation, the status reports on projects with implementation delays submitted to the Secretariat by the Governments of Australia, Canada, Italy, Japan, Spain and the four implementing agencies, addressed in document UNEP/OzL.Pro/ExCom/63/6;
- (ii) That only 11 country programme (CP) reports for the year 2009 had been submitted through the web-based system, which had been initiated on 25 April 2007;
- (iii) The completion of 12 of the 26 projects with implementation delays;
- (iv) That the Secretariat and the bilateral and implementing agencies would take established actions according to the Secretariat's assessments (progress or some progress) and report to and notify governments and implementing agencies as required;

(b) To request:

- (i) The Secretariat to consult with the implementing agencies in order to ascertain why so few countries had submitted CP reports through the web-based portal and to report back to the Committee at its 64th meeting;
- (ii) That CFC, CTC and halon be removed from the CP report format, as shown in Annex II to the present report, starting with the report on 2012 data due on 1 May 2013;
- (iii) The UNEP Compliance Assistance Programme (CAP) to ascertain the reasons for which licensing systems in the Cook Islands, Haiti, Kiribati, Mauritania, the Federated States of Micronesia and Senegal were not operating satisfactorily and the countries' plans to improve their operation; and why licensing systems in Ethiopia and Lesotho had not been established;
- (iv) Additional status reports on the projects listed in Annexes III and IV to the present report, as well as on the following project subject to an existing decision (decision 54/4(c)):

Agency	Code	Project title	Existing decision
UNEP	SOM/SEV/35/TAS/01	Formulation of national phase-out strategy	Milestone: Funding for country programme preparation to be obligated on the basis of a visit to Somalia by UNEP. Deadline: Six months following the UNEP visit, which would occur as soon as security conditions allowed. (decision 54/4(c))

- (v) The Governments of France, Israel and Portugal to provide their reports on implementation delays to the 64th meeting of the Executive Committee;

- (c) To encourage the Government of Angola to deposit the instruments of ratification of the four outstanding amendments to the Montreal Protocol with the United Nations in New York as soon as possible and to encourage the Government of Guinea to continue its efforts to ratify the Copenhagen Amendment so as to enable it to access funding for HCFC phase-out, as required by decision 53/37; and
- (d) To note the report by UNIDO on the results of its consultations with Kyrgyzstan on the 2009 business plans' qualitative performance evaluations, in line with decision 61/17(d).

(Decision 63/4)

AGENDA ITEM 6: 2011-2014 BUSINESS PLANS

(a) Consolidated business plan of the Multilateral Fund

35. The representative of the Secretariat presented the consolidated 2011-2014 business plan of the Multilateral Fund contained in document UNEP/OzL.Pro/ExCom/63/7, indicating that the value of all the activities submitted by the bilateral and implementing agencies would exceed the budget for the period 2011-2014 by approximately US \$231 million, although the level for 2011 was US \$4.6 million below the amount remaining for the triennium. Consequently the Secretariat had recommended adjustments that would reduce the budget deficit to US \$147.7 million. Concern was expressed at the over-programming, but it was recognized that there had been considerable improvement in reducing over-programming compared to the previous year's business plans.

36. One representative requested that the report reflect her concern at the removal of the Green customs and Asia and West Asia enforcement networks from UNEP's business plan, as per decision 61/8. She said that, in a number of decisions, the Parties had highlighted the importance of combating illegal trade in ODS and, while she agreed to the removal of the Green customs initiative from the present business plan, she would like to see it included in future business plans.

37. It was also pointed out that funding of a knowledge portal for HCFC phase-out was already possible under the CAP and that, as the activities in the business plans exceeded the budget by US \$147.7 million, it was desirable to lower the amount for the window set for ODS destruction activities for low-volume-consuming (LVC) countries. It would also be desirable, whenever a country decided to assign an HPMP to another implementing agency, to ensure that the initial implementing agency provided the results of any HPMP preparation to the implementing entity taking on the assignment.

38. The representative of the Secretariat informed the Committee that the Government of Argentina had requested that the foam project included for UNDP be transferred to the World Bank and that the HPMP preparation and lead agency role for UNDP be transferred to UNIDO.

39. The Executive Committee decided:

- (a) To endorse the 2011-2014 consolidated business plan of the Multilateral Fund, as adjusted by the Secretariat and the Executive Committee and contained in document UNEP/OzL.Pro/ExCom/63/7, while noting that endorsement denoted neither approval of the projects identified therein nor their funding or tonnage levels, and:
 - (i) That the global project for information, communication and education activities in the development and implementation of a knowledge portal for HCFC phase-out and HCFC phase-out management plan (HPMP) implementation could be implemented under the existing resources of UNEP's Compliance Assistance Programme (CAP);

- (ii) To maintain the activities in the business plan for those countries that had already received funding to phase out more than 10 per cent of their estimated baseline/starting point;
- (b) To maintain current levels of funding for institutional strengthening for business planning purposes until such time as a decision had been taken on the actual levels;
- (c) To set a window for ODS destruction for low-volume-consuming countries, pursuant to decision XXI/2 of the Twenty-first Meeting of the Parties, amounting to US \$3 million;
- (d) To allow the modification of performance indicators based on data in the business plans only if new Executive Committee decisions were applied to adjust the business plans submitted;
- (e) To monitor the results of proposed funding distributions in the light of approved commitments to ensure that planned funding would be available to meet those commitments;
- (f) That:
 - (i) Project preparation could be funded for stage II activities and might be included prior to the completion of stage I in business plans for the years 2012-2014;
 - (ii) The duration of the next business plan should be only for the next triennium 2012-2014, and include any multi-year funding after 2014;
- (g) To remove the UNDP HPMP activities for Gambia (the) from UNDP's business plan, as requested by the Government of the Republic of the Gambia;
- (h) To remove the UNDP individual foam project for Argentina from UNDP's business plan, as requested by the Government of Argentina, and to include the individual foam project in the World Bank's business plan;
- (i) To transfer the HPMP preparation and the relevant lead agency role in Argentina from UNDP to UNIDO;
- (j) To agree that any additional project preparation activity funding should be deducted from the funding eligibility for the HPMP if a country chose to assign an implementing agency other than the one originally approved to conduct the HPMP and to request the initial implementing agency to transfer the results of the HPMP preparation to the new implementing agency; and
- (k) To request bilateral and implementing agencies to agree on a distribution of the tonnage for HPMPs, followed by agreement with the relevant countries, and to report to the 64th meeting on the agreement.

(Decision 63/5)

(b) Business plans of the implementing agencies

(i) Bilateral agencies

40. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/8. The inclusion of a regional customs cooperation project for Europe and Central Asia in the business plan of

the Government of the Czech Republic was called into question. Although the activity's usefulness was not in dispute, it was recalled that the original funding for the network had been approved on a one-off basis on the understanding that, should it prove effective, alternative sources would be found to allow it to continue. Furthermore, the activity was categorized as "not required for compliance".

41. Following the discussion, the Executive Committee decided:

- (a) To note the 2011-2014 business plans for bilateral cooperation submitted by the Governments of Australia, the Czech Republic, Germany, Italy and Japan, as addressed in document UNEP/OzL.Pro/ExCom/63/8;
- (b) Further to note that, with respect to potential over-programming in the Government of Germany's business plan, if all the funding could be approved in 2011, the Government of Germany would join with other agencies to share the activities, and that all the countries that could be affected by the over-programming had been made aware that the Government of Germany might not have sufficient funds to submit their activities for funding in 2011; and
- (c) To remove the activity on regional customs cooperation in Europe and Central Asia from the business plan of the Government of the Czech Republic.

(Decision 63/6)

(ii) UNDP

42. The representative of UNDP introduced document UNEP/OzL.Pro/ExCom/63/9. Although issues were raised regarding projects to phase out HCFCs in the solvent sector, the Executive Committee agreed to maintain them in UNDP's business plan with a view to discussing specific submissions on a case-by-case basis in the agencies' work programmes, focusing *inter alia* on cost-effectiveness.

43. The Executive Committee decided:

- (a) To note the 2011-2014 business plan of UNDP, as contained in document UNEP/OzL.Pro/ExCom/63/9; and
- (b) To approve the performance indicators for UNDP, as contained in Annex V to the present report.

(Decision 63/7)

(iii) UNEP

44. The representative of UNEP introduced document UNEP/OzL.Pro/ExCom/63/10, noting a modification to the business plan linked to ratification assistance for Grenada. In response to a question on special assistance for Haiti, which seemed to be absent from the business plan under UNEP's priority focus activities, UNEP pointed to the tables and annexes, which contained amounts for information support under the CAP. During the discussion, attention was drawn to the dire conditions in Haiti, which could place the country in a situation of borderline, if not outright, non-compliance, thus making it necessary to highlight the special need for assistance to Haiti to maintain compliance.

45. On the issue of programme costs, it was pointed out that the budget increase forecast for the CAP was at the 3 per cent maximum allowable level, as were the core unit budget increases for other implementing agencies, which gave cause for concern given the global economic downturn and the

scarcity of available funds. The representative of UNEP pointed out that part of the increase was linked to United Nations staff salary increases, but said that every effort would be made to keep actual budget increases to a minimum.

46. Following the discussion, the Executive Committee decided:

- (a) To note the 2011-2014 business plan of UNEP, as contained in document UNEP/OzL.Pro/ExCom/63/10;
- (b) To request UNEP to undertake, as part of its 2011 business plan activities, prioritized Compliance Assistance Programme activities, in cooperation with other agencies, to assist Haiti in returning to its pre-earthquake level of implementation of the Montreal Protocol, and in enabling its compliance; and
- (c) To approve the performance indicators for UNEP, as contained in Annex VI to the present report.

(Decision 63/8)

(iv) UNIDO

47. The representative of UNIDO introduced document UNEP/OzL.Pro/ExCom/63/11, and announced that the HPMP for Saint Lucia had just been submitted to the Secretariat for consideration by the Executive Committee at its 64th meeting, with UNIDO as cooperating implementing agency. He also indicated that UNIDO had met the deadline for submitting the final tranches of the terminal phase-out management plan (TPMP) and the national phase-out plan (NPP) for Eritrea and Iraq respectively, pursuant to decision 61/5. He requested that the institutional strengthening (IS) for Bosnia and Herzegovina and the Libyan Arab Jamahiriya be maintained in the business plan for 2012 and that the HPMP for Saint Lucia be added to its business plan for 2011.

48. Following the presentation, the Executive Committee decided:

- (a) To note the 2011-2014 business plan of UNIDO, as contained in document UNEP/OzL.Pro/ExCom/63/11, maintaining institutional strengthening for Bosnia and Herzegovina and the Libyan Arab Jamahiriya in 2012 and adding the HCFC phase-out management plan for Saint-Lucia; and
- (b) To approve the performance indicators for UNIDO, as contained in Annex VII to the present report.

(Decision 63/9)

(v) World Bank

49. The representative of the World Bank introduced documents UNEP/OzL.Pro/ExCom/63/12 and Add.1. Concern was expressed regarding the proposal to develop a methodology to generate carbon credits from avoidance of HFC-23 emissions through reduced HCFC-22 use, with respect to such matters as additionality, governance, transparency and the potential for double accounting. The Chair suggested that, as a substantial number of questions remained unanswered, the proposal should be removed from the World Bank's business plan, but could be included in a future business plan following additional consultations.

50. The Executive Committee decided:

- (a) To note the 2011-2014 business plan of the World Bank, as contained in documents UNEP/OzL.Pro/ExCom/63/12 and Add.1;
- (b) To remove the activity to develop a methodology to generate carbon credits from avoidance of HFC-23 emissions through reduced HCFC-22 use from the World Bank's business plan; and
- (c) To approve the performance indicators for the World Bank, as contained in Annex VIII to the present report.

(Decision 63/10)

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION

(a) Monitoring and evaluation: Draft monitoring and evaluation work programme for 2011 and 2012

51. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/63/13, which contained the monitoring and evaluation activities proposed for 2011 and 2012.

52. It was observed that it might be inopportune to evaluate licensing and regulatory systems at the present time, especially as the legal and regulatory structures concerned differed significantly between countries. UNEP's OzonAction Programme had, within the CAP and with the aid of the Stockholm Environment Institute, already made a catalogue of the different regulatory instruments entitled Regulations to Control Ozone Depleting Substances: a Guide Book (2000), and the Senior Monitoring and Evaluation Officer was encouraged to consult that document before presenting a revised proposal to the Executive Committee. The Senior Monitoring and Evaluation Officer was also asked to consider undertaking a desk study of the effectiveness of metered-dose inhaler (MDI) projects to be included in the 2012 work programme. With respect to activities for the dissemination and communication of the lessons learned from previous implementation experiences, more information was needed on the target audience for the proposed database and the proposed newsletter, both of which had been seen as part of an overall strategy for the dissemination and communication of lessons learned, and the Senior Monitoring and Evaluation Officer was asked to provide more information on how those activities would be part of such a strategy.

53. The Executive Committee decided:

- (a) To note that decision 59/52(a) had approved US \$60,000 as part of the Secretariat budget to cover operational costs for multi-year agreement (MYA) table on-line access, on the understanding that the same amount would be deducted from the Senior Monitoring and Evaluation Officer's work programme budget;
- (b) To approve the 2011 monitoring and evaluation work programme at a budget of US \$86,750 to cover the activities for 2011 listed below:

Description	Amount (US \$)
Completion report format for MYAs	12,000
Desk study on evaluation of MYA projects	18,750
Staff travel (SMEO's travel to network and thematic meetings, MOP meetings)	50,000
Miscellaneous (equipment, communication)	6,000
Total 2011	86,750

- (c) To note the draft monitoring and evaluation work programme for 2012, as contained in document UNEP/OzL.Pro/ExCom/63/13, with the addition of the evaluation of metered dose inhaler (MDI) projects, and pending the decision on the re-submission of the revised proposals for the evaluation of licensing and regulatory systems for the Committee's approval;
- (d) To request:
- (i) The Senior Monitoring and Evaluation Officer to prepare and submit to the 65th meeting of the Executive Committee a strategy for the dissemination and communication of the lessons learned from previous implementation experiences, as well as from the evaluations that had been conducted; and
 - (ii) That the 2012 draft monitoring and evaluation work programme, together with its budget, be submitted for approval to the 65th meeting of the Executive Committee.

(Decision 63/11)

(b) Annual tranche submission delays

54. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/14.

55. The Executive Committee decided:

- (a) To note with appreciation, the information on annual tranche submission delays under multi-year agreements (MYAs) submitted to the Secretariat by the World Bank, as contained in document UNEP/OzL.Pro/ExCom/63/14;
- (b) To note that four of the five annual tranches of MYAs due for submission had been submitted on time to the 63rd meeting; and
- (c) To request the World Bank to work with the Government of India to expedite the signing of the agreements for the accelerated CFC production sector closure project as soon as possible to enable the second tranche of the agreement to be submitted to the 64th meeting.

(Decision 63/12)

(c) Report on implementation of approved projects with specific reporting requirements

56. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/15. In the ensuing discussion, the issue of whether halon 1301 tail emissions from the production of Friponil in China could be deemed "insignificant" was raised. The representative of the World Bank recalled that the

country used three technologies: the first resulted in halon 1301 emissions of 0.07-0.86 per cent; and the second and third in maximum emissions of about 1.65 per cent. The Government of China had adopted a policy requiring all enterprises to ensure that their emissions conformed with the rate of the first technology, in effect obliging them to use that technology. The representative of the World Bank stated that, given the agency's lack of authority over the companies, it might prove difficult for it to report to the Fund Secretariat in future annual technical audit reports on the amount of halon 1301 emitted, although it could report on implementation of the Government of China's policy. The representative of the Secretariat recalled that the increase in annual emission level between 2009 and 2010 was due to an increase in the production of Friponil.

57. Regarding the demonstration project for conversion from HCFC-141b-based to cyclopentane-based pre-blended polyol in the manufacture of rigid polyurethane foam at Guangdong Wanhua Rongwei Polyurethane Co. Ltd in China approved at the 59th meeting (decision 59/31), it was suggested that disbursement of funding for the second stage of the project be postponed until the report on implementation of the first stage had been received. The representative of the Secretariat said that the first stage, which had been completed, had raised a number of technical issues and a number of cost-related issues pertaining, for example, to transportation, storage and management of cyclopentane-based pre-blended polyol. Those issues were not sufficient to prevent the project from proceeding, but the information in the report would be useful for China and for other countries in a similar position.

58. The Executive Committee decided:

(a) With regard to Brazil:

- (i) To note the 2009 verification report and the 2010 annual implementation report on the national CFC phase-out plan (NPP) in Brazil;
- (ii) To approve the annual implementation plan for 2011; and
- (iii) To request the Government of Brazil, with the assistance of UNDP as lead implementing agency, to continue submitting annual implementation reports regarding the previous year to the first meeting of the Executive Committee each year until the NPP had been completed.

(b) With regard to China:

Halon production and consumption phase-out programme

- (i) To request the Government of China and the World Bank to provide a final report to the Executive Committee on the status of the emission reduction of halon 1301 in all Friponil manufacturers by 2013;

Conversion demonstration from HCFC-141b-based to cyclopentane-based pre-blended polyol in the manufacture of rigid polyurethane foam at Guangdong Wanhua Rongwei Polyurethane Co. Ltd.

- (ii) To note the report on safety and technical feasibility analysis of the project to demonstrate the conversion from HCFC-141b-based to cyclopentane-based pre-blended polyol in the manufacture of rigid polyurethane foam at Guangdong Wanhua Rongwei Polyurethane Co. Ltd. in China, submitted by the World Bank;
- (iii) To authorize the disbursement of US \$635,275 by the World Bank to China for stage II of the project; and

- (iv) To request that the World Bank submit the report on the implementation of the demonstration project, including cost calculations for safety measures, for consideration at the 65th meeting of the Executive Committee, in line with decision 59/31(c);

Refrigeration servicing sector CFC phase-out plan

- (v) To take note of the progress report on the implementation of the refrigeration servicing sector CFC phase-out plan in China during 2010; and
 - (vi) To approve the implementation programme for 2011, on the understanding that UNIDO would provide reports annually, by calendar year, on the activities undertaken, the funds spent and the budget remaining, until the financial closure of the phase-out plan.
- (c) With regard to Costa Rica:
- (i) To note the 2010 annual progress report on the implementation of the fifth tranche of the project for the total phase-out of methyl bromide (MB) used as a fumigant in melons, cut flowers, bananas, tobacco seedbeds and nurseries, excluding quarantine and pre-shipment (QPS) applications, in Costa Rica;
 - (ii) To note that the consumption of MB in Costa Rica in 2010 was below the maximum level of consumption indicated in the revised schedule for the phase-out of MB for the country;
 - (iii) To authorize the disbursement of US \$255,000 by UNDP to Costa Rica as part of the fifth tranche of the project; and
 - (iv) To note that UNDP should present annual progress reports on implementation of the project, including financial reports, until the project had been completed, in accordance with decision 59/36.
- (d) With regard to Mexico, noting that the transfer of the national methyl bromide (MB) phase-out plan in Mexico (second tranche) from the Government of Canada to UNIDO had been approved by decision 63/2:
- (i) To approve the transfer from the Government of Canada to UNIDO of US \$417,522, plus agency support costs of US \$31,314 for UNIDO, associated with the 2012 and 2013 work programmes for the phase-out of MB in commodities in Mexico; and
 - (ii) To approve the revised agreed conditions for the phase-out of MB in Mexico, as contained in Annex IX to the present report.
- (e) With regard to Paraguay:
- (i) To note the progress report on the implementation of the terminal phase-out management plan (TPMP) for Annex A, Group I substances for the 2010 implementation period;
 - (ii) To request Paraguay to use the balance of funds remaining from the second, third and fourth tranches of the TPMP to complete the remaining activities to sustain zero consumption of CFCs and support other activities to facilitate the phase-out

of HCFCs in Paraguay; and

- (iii) To submit a final report on the implementation of the activities under the TPMP no later than the 66th meeting of the Executive Committee.
- (f) With regard to Sri Lanka:
- (i) To note the report from the Government of Japan on the proposal for the utilization of remaining funds under the National Compliance Action Plan (NCAP) of Sri Lanka;
 - (ii) To approve the request by the Government of Sri Lanka to continue the implementation of the phase-out activities approved under the NCAP to sustain zero consumption of CFCs and to support other activities to facilitate the phase-out of HCFCs in Sri Lanka; and
 - (iii) To submit a final report on the implementation of the activities under the NCAP no later than the 66th meeting of the Executive Committee.

(Decision 63/13)

AGENDA ITEM 8: PROJECT PROPOSALS

59. A number of issues were raised during the consideration of project proposals. The Executive Committee therefore decided to set up several contact groups to examine specific activities in greater detail.

(a) Overview of issues identified during project review

60. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/16. He indicated that the second tranche of the HPMP for the former Yugoslav Republic of Macedonia had been received but not put before the 63rd meeting because it had been submitted earlier than established in the funding approval schedule contained in the country's Agreement with the Executive Committee. The issue was discussed further under agenda item 13 (Other matters) (see paragraphs 189 and 190 below).

Discrepancies between data reported under Article 7 and in HPMPs

61. Members examined the issue of data reporting discrepancies in light of compliance and accuracy considerations. Where the data reported in HPMPs differed from that reported under Article 7 of the Montreal Protocol, it was proposed that countries' starting points for aggregate reductions in HCFC consumption be based on the Article 7 data. It was pointed out that there might be valid reasons for data discrepancies, such as the inclusion of HCFC blends, for instance. However, under decision 60/44, countries had the option to request an adjustment to baseline data through the Ozone Secretariat. Furthermore, there was a revision process built into the HPMP guidelines and agreements, through which the agreed starting point for aggregate reductions could be adjusted once the HCFC baseline for compliance had been established based on Article 7 data.

62. Following the discussion, the Executive Committee decided that the calculation of the starting points for aggregate reductions in HCFC consumption for HCFC phase-out management plans should be based on the latest accepted HCFC consumption data reported under Article 7, consistent with decision 60/44 of the Executive Committee.

(Decision 63/14)

Additional funding requests for HCFC phase-out outside approved HPMPs

63. With regard to additional funding requests for HCFC phase-out outside approved HPMPs, the representative of the Secretariat explained the situation of some countries with all HCFC consumption reported under Article 7 solely in the refrigeration servicing sector, and with foam enterprises relying exclusively on imported HCFC-141b pre-blended polyol not reported as consumption. Those countries were unable to select the most cost-effective alternative technology and could therefore not include a funding proposal for the conversion of those enterprises in stage I of their HPMPs. It was stressed that the Executive Committee's decision on the matter should be consistent with and complement decision 61/47 on imported HCFC-141b pre-blended polyol. It was further clarified that only the HCFC-141b contained in polyol produced by systems houses for export would be deducted from the starting point, whereas domestic foam enterprises using polyol produced by those same systems houses would be eligible for funding.

64. Following the discussion, the Executive Committee decided that Article 5 countries with HCFC consumption reported under Article 7 solely in the refrigeration servicing sector and with foam enterprises relying exclusively on imported HCFC-141b pre-blended polyol systems not reported as consumption could, on an exceptional and case-by-case basis, and consistent with decision 61/47, submit a funding request for the conversion of those enterprises during implementation of stage I of the HCFC phase-out management plan (HPMP), on the understanding that:

- (a) There were no systems houses in the country concerned, and funding for the conversion of any of the foam enterprises was not requested but fully described in the submission of stage I of the HPMP;
- (b) All foam enterprises and the annual amount of HCFC-141b contained in imported pre-blended polyol, to be calculated based on the 2007-2009 average consumption excluding those years in which no production was reported, would be included therein;
- (c) The eligibility of the foam enterprises would be determined at the time of the submission of the project, and the funding level would be based on the amount of HCFC-141b contained in imported pre-blended polyol systems as defined under subparagraph (b) above; and
- (d) The project proposal would completely phase out the use of HCFC-141b in imported pre-blended polyol systems and would include a commitment from the country to put in place, by the time the last foam manufacturing plant had been converted to a non-HCFC technology, regulations or policies banning the import and/or the use of HCFC-141b pre-blended polyol systems.

(Decision 63/15)

Funding for conversion of eligible enterprises with very little or no current consumption of HCFCs

65. During discussion of the issue of funding for conversion of eligible enterprises with very little or no current consumption of HCFCs, it was pointed out that it was unclear how far back to go in the determination of whether an immediate return to production by enterprises using HCFCs would put the country at risk of non-compliance. It was suggested that it would be appropriate to use the reported and confirmed HCFC consumption for the past three to five years. A member also suggested that enterprises be required to demonstrate that they were still in a position to continue production as a means of ensuring that they had not been re-established for the sole purpose of securing funding.

66. After some consultation, the Executive Committee noted the issue of funding for conversion of eligible enterprises with very little or no current consumption of HCFCs, and confirmed its decision, taken at the 16th meeting, that eligible ODS consumption at the enterprise level should be calculated on the basis of either the year, or an average of the three years, immediately preceding project preparation.

Applicability of HCFC cost-effectiveness thresholds for low-volume-consuming countries

67. It was noted that the issue of the applicability of HCFC cost-effectiveness thresholds for LVC countries was being raised in the context of the HPMP for Swaziland, where it was proposed to convert a large manufacturing plant using HCFC-141b as a foam blowing agent to hydrocarbon-based technology, and that the cost-effectiveness value was higher than the established threshold. There were examples of similar cases where the enterprise had provided co-funding, and there was an expectation that this enterprise would adopt the same stance. It was further noted that a number of decisions already provided special consideration for LVC countries, and that there was no indication that extra consideration was needed in this instance.

68. Following the discussion, the Executive Committee agreed that the issue of applicability of HCFC cost-effectiveness thresholds for LVC countries was already covered by previous decisions taken by the Executive Committee and by existing procedures.

Flexibility provision under HCFC phase-out management plans

69. During the discussion, one representative raised the issue of flexibility in re-allocating HCFC phase-out funds, which was referred to the contact group on issues related to project proposals. Consultations among interested members led to the conclusion that the matter of the applicability of the flexibility provision under HPMPs in the context of sector plans where different technologies had been identified and where there had been no pre-defined selection of enterprises to be converted required more attention. The proposal to consider changes of technology and re-allocations of funding among sectors as major changes in the application of the flexibility provision under HPMPs should therefore be examined further at the 64th meeting.

70. Following the discussion, the Executive Committee decided to request the Secretariat to include, under the item dealing with the Overview of issues identified during project review in the agenda of the 64th meeting of the Executive Committee, the matter of the flexibility provision under HCFC phase-out management plans in relation to technology changes and funding reallocation among sectors, and to provide relevant background information for the consideration of that matter as needed.

(Decision 63/16)

Amending agreements between the Executive Committee and countries on HCFC phase-out management plans to help ensure compliance with the 2013 control measure

71. Another concern raised was that some countries, in their submissions, appeared to be indicating that efforts to achieve compliance with the 2013 HCFC consumption freeze were limited to selected sectors. To ensure that adequate measures would be undertaken at the national level, the Executive Committee decided to add a paragraph both to the template for draft agreements approved in decision 61/46 and to the draft agreements between Article 5 countries and the Executive Committee submitted to the Committee for consideration at its 63rd meeting. The paragraph read as follows:

“That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place

and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.”

(Decision 63/17)

Countries that have total HCFC consumption above 360 metric tonnes and should address consumption in the manufacturing sector first to meet the 2013 and 2015 control measures (as per decision 60/44)

72. Some countries with total HCFC consumption above 360 metric tonnes had submitted project proposals that included funding requests for servicing sector activities instead of the manufacturing sector, notwithstanding decision 60/44(f)(xv). In the interests of flexibility, it was suggested that such Article 5 countries should be allowed to address consumption in the servicing sector instead of the manufacturing sector to meet their reduction steps in 2013 and 2015, if the conversion in the manufacturing sector would result in a significant phase-in of high-global warming potential (GWP) substances or the conversion in a manufacturing sector would result in costs higher than US \$82 per ODP kg. Following the report of a contact group, the Executive Committee agreed to continue discussion of the matter at its 64th meeting.

HPMPs that propose to address more than 10 per cent of the baseline by 2015

73. It was noted that, in their HPMPs, some countries were proposing to address more than 10 per cent of the baseline by 2015. One member suggested that in such cases an extended commitment beyond 2015 should be solicited from the government concerned. This should be the case even when the reason for the larger amount was a forecast increase in consumption in the years 2011 and 2012 above the baseline set on the basis of 2009 and 2010 data.

74. Following the report of a contact group, the Executive Committee agreed to note in the respective decision for each such HPMP that the amount of HCFC consumption to be phased out in stage I should assist the country in making progress towards meeting the control measures beyond 2015 accordingly, on the understanding that Article 5 countries would still be able to submit stage II proposals when the Executive Committee approved the last tranche of stage I and that the approach was without prejudice to the tonnage of HCFCs that could be put forward for phase-out in stage II proposals. The Executive Committee further agreed to continue discussion of how HCFC phase-out in addition to the 10 per cent required for 2015 could be addressed at its 64th meeting.

Projects and activities submitted for blanket approval

75. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex X to the present report, together with the conditions or provisions included in the corresponding project evaluation documents and the conditions attached to the projects by the Executive Committee; and
- (b) To agree that, for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments contained in Annex XI to the present report.

(Decision 63/18)

(b) Bilateral cooperation

76. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/63/17, Add.1 and Corr.1. It was noted that the Czech Republic's project for regional customs cooperation in Europe and Central Asia to prevent illegal trade in ODS would no longer be considered in the light of the Executive Committee's decision to remove the activity from the Government of the Czech Republic's business plan for 2011 (see decision 63/6).

77. The Committee was also informed that the Government of Italy had submitted a proposal for technical assistance to identify a suitable scheme for the accounting of greenhouse gas emission reductions (ERs) from HCFC phase-out activities for use in carbon finance.

78. Following a discussion, the Chair established a contact group to consider all the proposals that had been submitted by the bilateral and implementing agencies concerning resource mobilization. The facilitator of the contact group subsequently reported that the Government of Italy had withdrawn its proposal.

79. The Executive Committee decided:

- (a) To note that the project for regional customs cooperation in Europe and Central Asia to prevent illegal trade in ODS had been removed from the Government of the Czech Republic's business plan for 2011 (decision 63/6); and
- (b) To request the Treasurer to offset the costs of the bilateral projects approved at the 63rd meeting as follows:
 - (i) US \$565,000 (including agency fees) against the balance of the Government of France's bilateral contribution for 2011;
 - (ii) US \$3,733,866 (including agency fees) against the balance of the Government of Germany's bilateral contribution: US \$2,776,808 in 2011 and US \$957,058 in 2010; and
 - (iii) US \$146,900 (including agency fees) against the balance of the Government of Japan's bilateral contribution for 2011.

(Decision 63/19)

(c) Work programmes

(i) 2011 work programme of UNDP

80. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/18.

Global: Resource mobilization for climate co-benefits

81. Following the report of the contact group on resource mobilization established under agenda item 8(b) (Bilateral cooperation), the Executive Committee decided:

- (a) To approve funding at the level of US \$200,000, plus agency support costs of US \$18,000 for UNDP, for the preparation of four pilot demonstration projects in the

refrigeration and air-conditioning manufacturing sector to examine technical intervention to improve energy efficiency, national policy and regulatory measures to sustain such intervention in order to maximize the climate impact of HCFC phase-out, to be funded as resource mobilization activities on the following conditions:

- (i) That UNDP inform the Executive Committee of the four proposals specified above no later than the 67th meeting, noting that this would be submitted for information only and that these proposals would not be funded under the Multilateral Fund;
- (ii) That an interim report would be provided at the 66th meeting, which would include an update on the activities so far undertaken and address the following elements:
 - a. Additionality of the projects proposed;
 - b. Transparency and good governance, as well as covering the cash flow;
 - c. Assurance that these projects would avoid perverse incentives for countries;
 - d. Exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund;
 - e. Ensuring sustainability of the projects proposed;
 - f. Avoidance of duplication of similar projects;
 - g. Information on transaction costs;
- (b) To note that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project; and
- (c) To request UNDP to provide a final report for consideration by the Executive Committee at its 69th meeting.

(Decision 63/20)

(ii) 2011 work programme of UNEP

82. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/19.

Angola: Renewal of institutional strengthening (phase III)

83. The Executive Committee decided to approve the request for phase III of the institutional strengthening project for Angola, at the corresponding level of funding indicated in Annex X to the present report, with the disbursement of funding being contingent on confirmation of the deposit of the instrument of ratification of the London Amendment to the Montreal Protocol by the United Nations in New York, and to communicate the views expressed in Annex XI to the present report to the Government of Angola.

(Decision 63/21)

Global: Resource mobilization to address climate co-benefits for HCFC phase-out in LVC countries with servicing sector only, in cooperation with other agencies

84. Following the report of the contact group on resource mobilization established under agenda item 8(b) (Bilateral cooperation), the Executive Committee decided:

- (a) To approve funding at the level of US \$100,000, plus agency support costs of US \$13,000 for UNEP, for a study on financing options, regional workshops on co-financing, and/or one or more pilot applications of co-financing for one or more low-volume-consuming countries with an approved HCFC phase-out management plan, to be funded as resource mobilization activities on the condition that an interim report would be provided at the 66th meeting, which would include an update on the activities so far undertaken and address the following elements:
 - (i) Additionality of the projects proposed;
 - (ii) Transparency and good governance, as well as covering the cash flow;
 - (iii) Assurance that these projects would avoid perverse incentives for countries;
 - (iv) Exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund;
 - (v) Ensuring sustainability of the projects proposed;
 - (vi) Avoidance of duplication of similar projects;
 - (vii) Information on transaction costs;
- (b) To request UNEP to ensure that the regional workshops were held in the context of the network meetings under UNEP's Compliance Assistance Programme so as to ensure cost-effectiveness, and that the timing of the workshops would be such to allow the experiences of other agencies' resource mobilization activities to be incorporated;
- (c) To note that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project; and
- (d) To request UNEP to provide a final report for consideration by the Executive Committee at its 69th meeting.

(Decision 63/22)

(iii) 2011 work programme of UNIDO

85. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/20.

Global: Resource mobilization for HCFC phase-out and climate co-benefits

86. Following the report of the contact group on resource mobilization established under agenda item 8(b) (Bilateral cooperation), the Executive Committee decided:

- (a) To approve funding at the level of US \$200,000, plus agency support costs of US \$18,000 for UNIDO, for the preparation of two project proposals for possible co-financing for HCFC activities, to be funded as resource mobilization activities on the

following conditions:

- (i) That UNIDO inform the Executive Committee of the two proposals specified above no later than the 67th meeting, noting that this would be submitted for information only and that the two proposals would not be funded under the Multilateral Fund;
- (ii) That an interim report would be provided to the 66th meeting, which would include an update on the activities so far undertaken and address the following elements:
 - a. Additionality of the projects proposed;
 - b. Transparency and good governance, as well as covering the cash flow;
 - c. Assurance that these projects would avoid perverse incentives for countries;
 - d. Exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund;
 - e. Ensuring sustainability of the projects proposed;
 - f. Avoidance of duplication of similar projects;
 - g. Information on transaction costs;
- (b) To note that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project; and
- (c) To request UNIDO to provide a final report for consideration by the Executive Committee at its 69th meeting.

(Decision 63/23)

(iv) 2011 work programme of the World Bank

87. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/21.

Global: Resource mobilization for HCFC phase-out co-benefits study

88. Following the report of the contact group on resource mobilization established under agenda item 8(b) (Bilateral cooperation), the Executive Committee decided:

- (a) To approve funding at the level of US \$180,000, plus agency support costs of US \$16,200 for the World Bank, for a study that would focus solely on monetizing carbon credits, to be funded as a resource mobilization activity on the condition that an interim report would be provided at the 66th meeting, which would include an update on the activities so far undertaken and address the following elements:
 - (i) Additionality of the projects proposed;
 - (ii) Transparency and good governance, as well as covering the cash flow;
 - (iii) Assurance that these projects would avoid perverse incentives for countries;

- (iv) Exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund;
- (v) Ensuring sustainability of the projects proposed;
- (vi) Avoidance of duplication of similar projects;
- (vii) Information on transaction costs;
- (b) To note that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project; and
- (c) To request the World Bank to provide a final report on the study for consideration by the Executive Committee at its 69th meeting.

(Decision 63/24)

(d) Investment projects

Non-HCFC investment projects submitted for individual consideration

CFC phase-out plans

Eritrea: Terminal phase-out management plan (second tranche) (UNEP/UNIDO)

89. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/29, noting the lack of progress in the implementation of activities in the first tranche of the TPMP of Eritrea. During the discussion, two questions were raised, namely: whether the second tranche of the TPMP should be approved before the first tranche had been fully disbursed; and whether any CFC-related activities should be included in the business plan for the second tranche, given the need to focus on HCFC phase-out. One representative gave an overview of the progress made by Eritrea in implementing activities funded under the first tranche of the TPMP, showing that the country had been actively moving forward to complete its work plan on time. It was also pointed out that a portion of the funds in the second tranche were necessary to finalize CFC phase-out activities and to move quickly to address HCFCs.

90. Following the discussion and informal consultations, the Executive Committee decided:

- (a) To take note of the progress report on the implementation of the first tranche of the terminal phase-out management plan (TPMP) in Eritrea;
- (b) To note the 2011 annual implementation programme and to encourage Eritrea to complete its activities for the first tranche of the TPMP as soon as possible;
- (c) To request the Government of Eritrea, with the assistance of UNEP and UNIDO, to submit a progress report on the implementation of the work programme associated with the second and final tranche of the TPMP no later than the 67th meeting of the Executive Committee; and

- (d) To approve the second tranche of the TPMP at the level of funding of US \$70,000, plus agency support costs of US \$9,100 for UNEP, and US \$75,000, plus agency support costs of US \$6,750 for UNIDO, to complete the remaining activities to sustain zero consumption of CFCs and support other activities to facilitate the phase-out of HCFCs in Eritrea.

(Decision 63/25)

Iraq: National phase-out plan (second tranche) (UNEP/UNIDO)

91. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/36.
92. It was suggested that verification of Iraq's consumption for 2010 be provided to the Secretariat on the understanding that some funds would not be disbursed until the satisfactory verification of Iraq's 2010 consumption had been received.
93. The Executive Committee decided:
- (a) To take note of the progress report on the implementation of the first tranche of the national phase-out plan (NPP) of Iraq in 2009 and 2010;
 - (b) To approve the 2011 and 2012 annual implementation plans;
 - (c) To request UNEP to provide verification of Iraq's 2010 consumption, based on trade and similar quality information, no later than 30 September 2011;
 - (d) To request the Government of Iraq, with the assistance of UNEP and UNIDO, to submit a progress report on the implementation of the work programme associated with the second and final tranche of the NPP no later than the 67th meeting of the Executive Committee; and
 - (e) To approve the second and final tranche of the NPP for Iraq at the level of US \$505,000, plus agency support costs of US \$65,650 for UNEP, and US \$303,000, plus agency support costs of US \$22,725 for UNIDO, on the understanding that only 50 per cent of the funds for each agency would be disbursed until the Secretariat had notified UNEP that it had received satisfactory verification of the 2010 consumption referred to in subparagraph (c) above.

(Decision 63/26)

Pilot ODS disposal projects

Ghana: Pilot demonstration project on ODS waste management and disposal (UNDP)

94. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/31.
95. It was observed that the project was closely integrated with a proposed energy efficiency project being funded by the GEF, and it was suggested that no funds should be disbursed until the Secretariat had been notified of the approval of the GEF project.
96. The Executive Committee decided:
- (a) To note with appreciation the submission by the Government of Ghana of a pilot ODS waste management and disposal project to destroy a total of 8.8 metric tonnes of ODS

waste; and

- (b) To approve the implementation of a pilot project for ODS waste management and destruction in Ghana at the amount of US \$198,000, plus agency support costs of US \$17,820 for UNDP, on the condition that no funds would be disbursed until confirmation of approval of the Energy Efficiency project funded by the Global Environment Facility had been received by the Secretariat, and on the understanding that no further funds would be available for Ghana for any ODS disposal projects in the future.

(Decision 63/27)

Mexico: Pilot demonstration project on ODS waste management and disposal (UNIDO)

97. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/42.
98. A member expressed reservations with regard to some components of the project and suggested that text be added to the draft decision to clarify certain aspects, for example, the possibility that any proceeds from the sale of Voluntary Emission Reduction (VERs) should be returned to the Multilateral Fund, the need to avoid the creation of perverse incentives, and some assurance that VERs might eventually have to be written off. Strict monitoring and reporting on the implementation of the project over the two years of the project funding would also be required.
99. Following a discussion, the Chair established an informal group to consider the project proposal further.
100. Following the report of the informal group, the Executive Committee decided:
- (a) To note with appreciation the submission by the Government of Mexico of a demonstration project for ODS destruction to destroy a total of 166.7 metric tonnes of ODS waste;
 - (b) To approve the implementation of a demonstration project for ODS destruction in Mexico, in line with decision 58/19, at the amount of US \$1,427,915, comprising US \$927,915, plus agency support costs of US \$69,594 for UNIDO, and US \$500,000, plus support costs of US \$65,000 for the Government of France, noting that approval was on the understanding that:
 - (i) No further funds would be available for Mexico for any ODS disposal projects in the future;
 - (ii) Any marketing of greenhouse gas (GHG) emission reductions generated by or associated with the project would be subject to a decision by the Executive Committee; and
 - (c) To establish a monitoring system for the operation and the activities associated with the ODS disposal demonstration project and to report thereon to the Executive Committee at the completion of the project in 2014, ensuring that that no marketing of GHG emission reductions had taken place.

(Decision 63/28)

HCFC stand-alone projects submitted for individual consideration

Aerosol sector

Mexico: Phase-out of HCFC-22 and HCFC-141b in aerosol manufacturing at Silimex in Mexico (UNIDO)

101. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/42.
102. The Executive Committee decided:
- (a) To approve the project for phase-out of HCFC-22 and HCFC-141b in aerosol manufacturing at Silimex at a level of US \$520,916, plus agency support costs of US \$39,069 for UNIDO, and to reduce the remaining eligible consumption for Mexico by 60.48 metric tonnes (3.30 ODP tonnes) of HCFC-22 and 70.24 metric tonnes (7.73 ODP tonnes) of HCFC-141b;
 - (b) To note that the Government of Mexico had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption 1,214.80 ODP tonnes reported for 2008, which were the latest data available when the project for the conversion from HCFC-141b and HCFC-22 in the manufacture of polyurethane rigid insulation foam for domestic refrigerators at Mabe Mexico had been approved at the 59th meeting.

(Decision 63/29)

HPMPs for LVC countries submitted for individual consideration

HPMPs with no policy issues raised during project review

Benin: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

103. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/23.
104. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Benin for the period 2011 to 2020, at the amount of US \$697,600, comprising US \$370,000, plus agency support costs of US \$48,100 for UNEP, and US \$260,000, plus agency support costs of US \$19,500 for UNIDO;
 - (b) To note that the Government of Benin had agreed to establish an estimated baseline of 23.6 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 23.6 ODP tonnes reported for 2009 and consumption of 23.6 ODP tonnes estimated for 2010;
 - (c) To approve the draft Agreement between the Government of Benin and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XII to the present report;
 - (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable

consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and

- (e) To approve the first tranche of the HPMP for Benin, and the corresponding implementation plan, at the amount of US \$203,550, comprising US \$85,000, plus agency support costs of US \$11,050 for UNEP, and US \$100,000, plus agency support costs of US \$7,500 for UNIDO.

(Decision 63/30)

Congo (the): HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

105. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/27.

106. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Republic of the Congo for the period 2011 to 2020, at the amount of US \$388,500, comprising US \$175,000, plus agency support costs of US \$22,750 for UNEP, and US \$175,000, plus agency support costs of US \$15,750 for UNIDO;
- (b) To note that the Government of the Republic of the Congo had agreed to establish an estimated baseline of 10.1 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 9.7 ODP tonnes reported for 2009 and consumption of 10.6 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of the Republic of the Congo and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XIII to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for the Republic of the Congo, and the corresponding implementation plan, at the amount of US \$159,850, comprising US \$45,000, plus agency support costs of US \$5,850 for UNEP, and US \$100,000, plus agency support costs of US \$9,000 for UNIDO.

(Decision 63/31)

Georgia: HCFC phase-out management plan (stage I, first tranche) (UNDP)

107. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/30. A member noted that, as the HPMP for Georgia addressed 44 per cent of the baseline starting point, the Agreement might warrant modification to reflect the reduction in consumption beyond 2020. After consultation, a contact group recommended approval of this HPMP as presented to the Executive Committee.

108. Therefore, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Georgia for the period 2011 to 2020, at the amount of US \$500,900, plus agency support costs of US \$37,568 for UNDP, on the understanding that:
 - (i) US \$315,000 were provided to address HCFC consumption in the refrigeration servicing sector to reach up to and include the 35 per cent reduction in 2020 in line with decision 60/44; and
 - (ii) US \$185,900 were provided for the phase-out of 11 metric tonnes (0.72 ODP tonnes) of HCFC-142b used in the solvent sector;
- (b) To note that the Government of Georgia had agreed to establish an estimated baseline of 5.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 4.6 ODP tonnes reported for 2009 and consumption of 6.1 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Georgia and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XIV to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Georgia, and the corresponding implementation plan, at the amount of US \$200,000, plus agency support costs of US \$15,000 for UNDP.

(Decision 63/32)

Guyana: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNDP)

109. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/32.
110. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Guyana for the period 2011 to 2015, at the amount of US \$72,660, comprising US \$18,000, plus agency support costs of US \$2,340 for UNEP, and US \$48,000, plus agency support costs of US \$4,320 for UNDP;
 - (b) To note that the Government of Guyana had agreed to establish an estimated baseline of 1.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 0.9 ODP tonnes reported for 2009 and consumption of 1.0 ODP tonnes estimated for 2010;
 - (c) To approve the draft Agreement between the Government of Guyana and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XV to the present report;

- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Guyana, and the corresponding implementation plan, at the amount of US \$64,750, comprising US \$11,000, plus agency support costs of US \$1,430 for UNEP, and US \$48,000, plus agency support costs of US \$4,320 for UNDP.

(Decision 63/33)

Honduras: HCFC phase-out management plan (stage I, first tranche) (UNIDO/UNEP)

111. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/33.

112. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Honduras for the period 2011 to 2020, at the amount of US \$691,000, comprising US \$380,000, plus agency support costs of US \$28,500 for UNIDO, and US \$250,000, plus agency support costs of US \$32,500 for UNEP;
- (b) To note that the Government of Honduras had agreed to establish an estimated baseline of 19.9 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 17.8 ODP tonnes reported for 2009 and consumption of 22.00 ODP tonnes estimated for 2010, plus 0.8 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 20.7 ODP tonnes;
- (c) To approve the draft Agreement between the Government of Honduras and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XVI to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Honduras, and the corresponding implementation plan, at the amount of US \$192,250, comprising US \$100,000, plus agency support costs of US \$7,500 for UNIDO, and US \$75,000, plus agency support costs of US \$9,750 for UNEP.

(Decision 63/34)

Kyrgyzstan: HCFC phase-out management plan (stage I, first tranche) (UNDP/UNEP)

113. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/37.

114. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Kyrgyzstan for the period 2011 to 2015, at the amount of US \$97,328, comprising US \$52,800, plus agency support costs of US \$4,752 for UNDP, and US \$35,200, plus agency support costs of US \$4,576 for UNEP;
- (b) To note that the Government of Kyrgyzstan had agreed to establish an estimated baseline of 4.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 4.4 ODP tonnes reported for 2009 and consumption of 4.4 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Kyrgyzstan and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XVII to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption, and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Kyrgyzstan, and the corresponding implementation plan, at the amount of US \$87,595 comprising US \$47,520, plus agency support costs of US \$4,277 for UNDP, and US \$31,680, plus agency support costs of US \$4,118 for UNEP.

(Decision 63/35)

Liberia: HCFC phase-out management plan (stage I, first tranche) (Germany)

115. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/39.

116. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Liberia for the period 2011 to 2020, at the amount of US \$355,950, comprising US \$315,000, plus agency support costs of US \$40,950 for the Government of Germany.
- (b) To note that the Government of Liberia had agreed to establish an estimated baseline of 5.5 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 5.0 ODP tonnes reported for 2009 and consumption of 6.0 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Liberia and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XVIII to the present report;
- (d) To request the Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and

- (e) To approve the first tranche of stage I of the HPMP for Liberia, and the corresponding implementation plan, at the amount of US \$157,500, plus agency support costs of US \$20,475 for the Government of Germany.

(Decision 63/36)

Mali: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNDP)

117. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/40.
118. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Mali for the period 2011 to 2020, at the amount of US \$617,400, comprising US \$280,000, plus agency support costs of US \$36,400 for UNEP, and US \$280,000, plus agency support costs of US \$21,000 for UNDP;
 - (b) To note that the Government of Mali had agreed to establish an estimated baseline of 15.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 14.4 ODP tonnes reported for 2009 and consumption of 15.5 ODP tonnes estimated for 2010;
 - (c) To approve the draft Agreement between the Government of Mali and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XIX to the present report;
 - (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
 - (e) To approve the first tranche of stage I of the HPMP for Mali, and the corresponding implementation plan, at the amount of US \$245,450, comprising US \$65,000, plus agency support costs of US \$8,450 for UNEP, and US \$160,000, plus agency support costs of US \$12,000 for UNDP.

(Decision 63/37)

Montenegro: HCFC phase-out management plan (stage I, first tranche) (UNIDO)

119. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/44.
120. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Montenegro for the period 2011 to 2020, at the amount of US \$450,000, plus agency support costs of US \$33,750 for UNIDO, noting that the amount included funds for institutional strengthening at the level of US \$240,000 for eight years starting July 2012;
 - (b) To note that the Government of Montenegro had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the level of consumption of 0.9 ODP tonnes reported for 2009;

- (c) To approve the draft Agreement between the Government of Montenegro and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XX to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Montenegro, and the corresponding implementation plan, at the amount of US \$155,000, plus agency support costs of US \$11,625 for UNIDO.

(Decision 63/38)

Pacific Island Countries: HCFC phase-out management plan for PICs through a regional approach (stage I, first tranche) (UNEP)

121. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/46.

122. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Pacific Island Countries (PICs) for the period 2011 to 2020, at the amount of US \$1,696,000, plus agency support costs of US \$220,480 for UNEP, with the individual amounts approved for each country listed in Annex X to the present report;
- (b) To note that each of the Governments of the PICs had agreed to establish individual estimated baselines as their starting points for sustained aggregate reduction in HCFC consumption calculated using actual consumption reported for 2009 and estimated consumption for 2010, with a total aggregate baseline of 3.25 ODP tonnes (59.11 metric tonnes), as indicated below:

Country	2009 actual consumption (mt)	2010 estimated consumption (mt)	Estimated baseline	
			Metric tonnes	ODP tonnes
Cook Islands (the)	0.570	1.820	1.195	0.066
Kiribati	0.680	2.190	1.435	0.079
Marshall Islands (the)	3.480	4.500	3.990	0.219
Micronesia (Federated States of)	1.640	3.000	2.320	0.128
Nauru	0.100	0.500	0.300	0.017
Niue	-	0.300	0.150	0.008
Palau	2.040	3.880	2.960	0.163
Samoa	3.500	4.260	3.880	0.213
Solomon Islands	28.280	41.000	34.640	1.905
Tonga	0.010	2.670	1.340	0.074
Tuvalu	1.590	1.620	1.605	0.088
Vanuatu	1.460	9.100	5.280	0.290

- (c) To approve the draft Agreement between the Governments of the PICs and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXI to the present report;
- (d) To request the Fund Secretariat, once the countries' baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding levels, with any adjustments needed being made when the next tranches were submitted; and
- (e) To approve the first tranche of stage I of the HPMP for the PICs, and the corresponding implementation plan, at the amount of US \$873,375, plus agency support costs of US \$113,539 for UNEP.

(Decision 63/39)

Paraguay: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNDP)

123. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/48.

124. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Paraguay for the period 2011 to 2020, at the amount of US \$695,400, comprising US \$330,000, plus agency support costs of US \$42,900 for UNEP, and US \$300,000, plus agency support costs of US \$22,500 for UNDP;
- (b) To note that the Government of Paraguay had agreed to establish an estimated baseline of 18.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 15.1 ODP tonnes reported for 2009 and consumption of 20.8 ODP tonnes estimated for 2010, plus 1.4 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 19.4 ODP tonnes;
- (c) To approve the draft Agreement between the Government of Paraguay and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXII to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Paraguay, and the corresponding implementation plan, at the amount of US \$346,683, comprising US \$146,500, plus agency support costs of US \$19,045 for UNEP, and US \$168,500, plus agency support costs of US \$12,638 for UNDP.

(Decision 63/40)

Republic of Moldova (the): HCFC phase-out management plan (stage I, first tranche) (UNDP)

125. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/49.
126. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Republic of Moldova for the period 2011 to 2015, at the amount of US \$88,000, plus agency support costs of US \$7,920 for UNDP;
 - (b) To note that the Government of the Republic of Moldova had agreed to establish an estimated baseline of 2.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.2 ODP tonnes reported for 2009 and consumption of 3.4 ODP tonnes estimated for 2010;
 - (c) To approve the draft Agreement between the Government of the Republic of Moldova and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXIII to the present report;
 - (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
 - (e) To approve the first tranche of stage I of the HPMP for the Republic of Moldova, and the corresponding implementation plan, at the amount of US \$79,200, plus agency support costs of US \$7,128 for UNDP.

(Decision 63/41)

Sao Tome and Principe: HCFC phase-out management plan (stage I, first tranche) (UNEP)

127. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/50.
128. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Sao Tome and Principe for the period 2011 to 2020, at the amount of US \$160,000, plus agency support costs of US \$20,800 for UNEP;
 - (b) To note that the Government of Sao Tome and Principe had agreed to establish an estimated baseline of 0.2 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using consumption of 0.1 ODP tonnes reported for 2009 under the HPMP and consumption of 0.2 ODP tonnes estimated for 2010;
 - (c) To approve the draft Agreement between the Government of Sao Tome and Principe and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXIV to the present report;

- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Sao Tome and Principe, and the corresponding implementation plan, at the amount of US \$44,000, plus agency support costs of US \$5,720 for UNEP.

(Decision 63/42)

Timor-Leste: CFC and HCFC phase-out management plan (stage I, first tranche) (UNEP/UNDP)

129. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/53.

130. The Executive Committee decided:

- (a) To approve, in principle, stage I of the CFC and HCFC phase-out management plan for Timor-Leste for the period 2011 to 2015, at the amount of US \$302,749, comprising US \$164,900, plus agency support costs of US \$21,437 for UNEP, and US \$106,800, plus agency support costs of US \$9,612 for UNDP, on the understanding that the tranche planned for 2013 would not be disbursed until the licensing system or a government notification procedure with legally binding provisions for controlling the import of HCFCs and HCFC-based equipment had been confirmed to be in place;
- (b) To note that the Government of Timor-Leste had agreed to establish an estimated baseline of 0.5 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 0.5 ODP tonnes reported for 2009 and consumption of 0.5 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Timor-Leste and the Executive Committee for the reduction in consumption of CFCs and HCFCs, as contained in Annex XXV to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the CFC and HCFC phase-out management plan for Timor-Leste, and the corresponding implementation plan, at the amount of US \$210,426, comprising US \$93,500, plus agency support costs of US \$12,155 for UNEP, and US \$96,120, plus agency support costs of US \$8,651 for UNDP.

(Decision 63/43)

HPMPs for accelerated HCFC phase-out in advance of the Montreal Protocol

Bhutan: HCFC phase-out management plan (first tranche) (UNEP/UNDP)

131. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/24. It was noted with appreciation that Bhutan's request for accelerated phase-out of HCFCs was supported by the highest levels in the Government, and some members acknowledged the country's good intentions to implement phase-out faster. A member noted that the HPMP provided for accelerated phase-out in order to achieve climate benefits, but phasing out too rapidly could fail to secure such benefits because, currently, HCFC-based equipment was still being distributed and used worldwide. It was suggested that, as a first step, accelerated phase-out up to and including 2025 might be preferable, with the option of returning to the Executive Committee in the future for funding for complete accelerated phase-out by 2020.

132. The Executive Committee decided:

- (a) To note with appreciation the submission of the HCFC phase-out management plan (HPMP) for Bhutan, including the country's high-level commitment and firm intention to completely phase out HCFC consumption by 1 January 2020;
- (b) To approve, in principle, the HPMP for Bhutan for the period 2011 to 2025 for accelerated HCFC phase-out, at the amount of US \$523,580, comprising US \$282,000, plus agency support costs of US \$36,660 for UNEP, and US \$188,000, plus agency support costs of US \$16,920 for UNDP, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025;
- (c) To note that the Government of Bhutan had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the level of consumption of 0.3 ODP tonnes reported for 2009;
- (d) To approve the draft Agreement between the Government of Bhutan and the Executive Committee for the phase-out of HCFCs, as contained in Annex XXVI to the present document, on the understanding that the country could submit the request for the final tranche, presently foreseen for 2025, in 2020 if HCFC consumption had been completely phased out at that time;
- (e) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (f) To approve the first tranche of the HPMP for Bhutan, and the corresponding implementation plan, at the amount of US \$189,300, comprising US \$100,000, plus agency support costs of US \$13,000 for UNEP, and US \$70,000, plus agency support costs of US \$6,300 for UNDP.

(Decision 63/44)

Mauritius: HCFC phase-out management plan (first tranche) (Germany)

133. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/41. It was noted that the HPMP proposed to phase out all HCFC consumption completely by 2030 and thus

provided sufficient flexibility and time for the alternative technologies that the Government wished to be put in place. The letter confirming the Government's commitment to accelerated HCFC phase-out in advance of the Montreal Protocol had not yet been received, but the Government of Mauritius had already demonstrated strong commitment by phasing out CFCs five years ahead of schedule and providing over US \$1,500,000 in co-funding for the phase-out of HCFCs.

134. The Executive Committee decided:

- (a) To approve, in principle, the HCFC phase-out management plan (HPMP) for Mauritius for the period 2011 to 2030, at the amount of US \$1,000,000, plus agency support costs of US \$120,000 for the Government of Germany, on the understanding that this would be the total funding available from the Multilateral Fund to achieve the complete phase-out of HCFCs by 1 January 2030;
- (b) To note that the Government of Mauritius had agreed to establish an estimated baseline of 10.2 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using consumption of 9.7 ODP tonnes for 2009 which excluded 1.0 ODP tonne in stockpiles and consumption of 10.6 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Mauritius and the Executive Committee for the phase-out of HCFCs, as contained in Annex XXVII to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of the HPMP for Mauritius, and the corresponding implementation plan, at the amount of US \$157,050, plus agency support costs of US \$18,846 for the Government of Germany.

(Decision 63/45)

Namibia: HCFC phase-out management plan (first tranche) (Germany)

135. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/45. It was suggested that the accelerated phase-out be postponed to 2025 to allow low GWP technologies to become more established.

136. The Executive Committee decided:

- (a) To note with appreciation the submission of the HCFC phase-out management plan (HPMP) for Namibia, including the country's firm intention to phase out HCFC consumption completely by 1 January 2020;
- (b) To approve, in principle, the HPMP for Namibia for the period 2011 to 2025, at the amount of US \$900,000, plus agency support costs of US \$109,000 for the Government of Germany, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025;

- (c) To note that the Government of Namibia had agreed to establish an estimated baseline of 6.1 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 6.0 ODP tonnes reported for 2009 and consumption of 6.3 ODP tonnes estimated for 2010;
- (d) To approve the draft Agreement between the Government of Namibia and the Executive Committee for the phase-out of HCFCs, as contained in Annex XXVIII to the present document, on the understanding that the country could submit the request for the final tranche, presently foreseen for 2025, in 2020 if HCFC consumption had been completely phased out at that time;
- (e) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (f) To approve the first tranche of the HPMP for Namibia, and the corresponding implementation plan, at the amount of US \$300,000, plus agency support costs of US \$36,333 for the Government of Germany.

(Decision 63/46)

Papua New Guinea: HCFC phase-out management plan (first tranche) (Germany)

137. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/47. It was noted that the accelerated phase-out extended to 2025, thereby allowing for the further establishment of low GWP technologies. It was also noted that, under the tranche distribution schedule, more than half the funds were to be paid out in the first five years of the 15-year plan.

138. The Executive Committee decided:

- (a) To approve, in principle, the HCFC phase-out management plan (HPMP) for Papua New Guinea for the period 2011 to 2025, at the amount of US \$1,397,500, comprising US \$1,250,000 (including US \$450,000 for institutional strengthening), plus agency support costs of US \$147,500 for the Government of Germany, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025;
- (b) To note that the Government of Papua New Guinea had agreed to establish an estimated baseline of 3.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 3.2 ODP tonnes reported for 2009 and consumption of 3.7 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Papua New Guinea and the Executive Committee for the phase-out of HCFCs, as contained in Annex XXIX to the present document;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was

submitted; and

- (e) To approve the first tranche of the HPMP for Papua New Guinea, and the corresponding implementation plan, at the amount of US \$350,000, plus agency support costs of US \$41,300 for the Government of Germany.

(Decision 63/47)

Seychelles: HCFC phase-out management plan (first tranche) (Germany)

139. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/51. It was suggested that the accelerated phase-out be postponed to 2025 to provide flexibility and support the development of importation and servicing of non-HCFC equipment.

140. The Executive Committee decided:

- (a) To note with appreciation the submission of the HCFC phase-out management plan (HPMP) of Seychelles, including the country's firm intention to phase out HCFC consumption completely by 1 January 2020;
- (b) To approve, in principle, the HPMP for Seychelles for the period 2011 to 2025, at the amount of US \$600,000, plus agency support costs of US \$76,000 for the Government of Germany, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025;
- (c) To note that the Government of Seychelles had agreed to establish an estimated baseline of 1.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.4 ODP tonnes reported for 2009 and consumption of 1.3 ODP tonnes estimated for 2010;
- (d) To approve the draft Agreement between the Government of Seychelles and the Executive Committee for the phase-out of HCFCs, as contained in Annex XXX to the present document, on the understanding that the country could submit the request for the final tranche, presently foreseen for 2025, in 2020 if HCFC consumption had been completely phased out at that time;
- (e) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (f) To approve the first tranche of the HPMP for Seychelles, and the corresponding implementation plan, at the amount of US \$200,000, plus agency support costs of US \$25,333 for the Government of Germany.

(Decision 63/48)

HPMPs with specific policy issues

Lao People's Democratic Republic (the): HCFC phase-out management plan (stage I, first tranche) (UNEP/France)

141. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/38, indicating that the outstanding policy issues linked to calculating the starting points for aggregate reduction in HCFC consumption and to additional funding requests for HCFC phase-out outside approved HPMPs had been resolved during the discussion under agenda item 8(a) (Overview of issues identified during project review).

142. Pursuant to decisions 63/14 and 63/15, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Lao People's Democratic Republic for the period 2011 to 2020, at the amount of US \$237,300, comprising US \$176,250, plus agency support costs of US \$22,913 for UNEP, and US \$33,750, plus agency support costs of US \$4,388 for the Government of France;
- (b) To note that the Government of the Lao People's Democratic Republic had agreed to establish an estimated baseline of 1.8 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.2 ODP tonnes reported for 2009 and consumption of 2.33 ODP tonnes estimated for 2010, plus 3.2 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 5.0 ODP tonnes;
- (c) To approve the draft Agreement between the Government of the Lao People's Democratic Republic and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXI to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted;
- (e) To approve the first tranche of stage I of the HPMP for the Lao People's Democratic Republic, and the corresponding implementation plan, at the amount of US \$128,396, comprising US \$113,625, plus agency support costs of US \$14,771 for UNEP; and
- (f) To allow the Lao People's Democratic Republic to submit the foam sector plan for phasing out the HCFC-141b contained in imported pre-blended polyol in 2015.

(Decision 63/49)

Mongolia: HCFC phase-out management plan (stage I, first tranche) (UNEP/Japan)

143. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/43, indicating that the outstanding issue linked to funding for conversion of eligible enterprises with very little or no current consumption of HCFCs had been resolved during the discussion under agenda item 8(a) (Overview of issues identified during project review).

144. The Executive Committee decided:

- (a) To approve, in principle, the HCFC phase-out management plan (HPMP) for Mongolia for the period 2011-2020, at the amount of US \$413,580, comprising US \$236,000, plus agency support costs of US \$30,680 for UNEP, and US \$130,000, plus agency support costs of US \$16,900 for the Government of Japan, to cover both the servicing and manufacturing sectors, on the understanding that:
 - (i) US \$210,000 were for the servicing sector and to reach the 35 per cent reduction in HCFC consumption by 2020, in line with decision 60/44;
 - (ii) US \$156,000 were for the investment project for the phase-out of 9.9 metric tonnes (0.54 ODP tonnes) of HCFC-22 used in extruded polystyrene foams;
- (b) To note that the Government of Mongolia had agreed to establish an estimated baseline of 1.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.2 ODP tonnes reported for 2009 and consumption of 1.5 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Mongolia and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXII to the present report, and in line with subparagraph (a) above;
- (d) To request the Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted;
- (e) To approve the first tranche of stage I of the HPMP for Mongolia, and the corresponding implementation plan, at the amount of US \$220,350, comprising US \$65,000, plus agency support costs of US \$8,450 for UNEP, and US \$130,000, plus agency support costs of US \$16,900 for the Government of Japan, for both the servicing and manufacturing sectors in line with subparagraph (a) above.

(Decision 63/50)

Swaziland: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNDP)

145. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/52, indicating that the issue of the applicability of cost-effectiveness thresholds to LVC countries had been discussed under agenda item 8(a) (Overview of issues identified during project review).

146. During the discussion, it was pointed out that, while the policy issue had been resolved, some clarification was required regarding levels of consumption phase-out, and the fact that just one enterprise accounted for all of the funding for HCFC-141b phase-out in the foam sector. The matter was therefore referred to a contact group.

147. Pursuant to the agreement that the issue of applicability of HCFC cost-effectiveness thresholds for LVC countries was already covered by previous decisions taken by the Executive Committee and existing procedures (see paragraph 68), and based on the outcome of discussions in the contact group, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Swaziland for the period 2011 to 2020, at the amount of US \$955,344, comprising US \$210,000, plus agency support costs of US \$27,300 for UNEP, and US \$667,948, plus agency support costs of US \$50,096 for UNDP, on the understanding that:
 - (i) US \$210,000 were for the refrigeration servicing sector to reach the 35 per cent reduction by 2020, in line with decision 60/44; and
 - (ii) US \$667,948 were for the investment project for the phase-out of 7.66 ODP tonnes of HCFC-141b used in the foam sector;
- (b) To note that the Government of Swaziland had agreed to establish an estimated baseline of 9.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 9.2 ODP tonnes reported for 2009 and consumption of 9.6 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Swaziland and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXIII to the present report;
- (d) To request the Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Swaziland, and the corresponding implementation plan, at the amount of US \$802,794, comprising US \$75,000, plus agency support costs of US \$9,750 for UNEP, and US \$667,948, plus agency support costs of US \$50,096 for UNDP.

(Decision 63/51)

HPMPs for non-LVC countries submitted for individual consideration

Afghanistan: HCFC phase-out management plan (stage I, first tranche) (UNEP/Germany)

148. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/22.

149. It was requested that, in future, a more detailed breakdown of the budget and any gradual reduction plan be provided by the Secretariat in its documents, as opposed to providing more aggregated figures in some cases.

150. It was noted that the proposed HPMP involved disbursement of more than 70 per cent of the total amount within the first four years. A more balanced disbursement schedule was therefore proposed, consisting of no more than 60 per cent before 2015, as long as it did not hinder implementation of the HPMP. The lead implementing agency confirmed that it would not.

151. The Executive Committee, noting that more than 99 per cent of HCFC consumption in Afghanistan was in the refrigeration servicing sector, decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Afghanistan for the period 2011 to 2020, at the amount of US \$767,384, comprising

US \$398,825, plus agency support costs of US \$51,847 for UNEP, and US \$280,276, plus agency support costs of US \$36,436 for the Government of Germany;

- (b) To note that the Government of Afghanistan had agreed to establish an estimated baseline of 23.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 22.2 ODP tonnes reported for 2009 and consumption of 24.4 ODP tonnes estimated for 2010;
- (c) To approve the draft Agreement between the Government of Afghanistan and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXIV to the present report;
- (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (e) To approve the first tranche of stage I of the HPMP for Afghanistan, and the corresponding implementation plan, at the amount of US \$231,650, comprising US \$120,000, plus agency support costs of US \$15,600 for UNEP, and US \$85,000, plus agency support costs of US \$11,050 for the Government of Germany.

(Decision 63/52)

Chile: HCFC phase-out management plan (stage I, first tranche) (UNDP/UNEP)

152. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/25.

153. It was acknowledged that the Government of Chile's choice to meet compliance obligations mainly through regulatory and policy measures was challenging. The representative of UNDP reiterated the commitment of the Government of Chile to do so.

154. It was pointed out that the HPMP for Chile was proposing to address more than 10 per cent of the baseline by 2015; the policy discussions on that matter under agenda item 8(a) (Overview of issues identified under project review) were therefore relevant.

155. Following the report of a contact group, the Executive Committee decided:

- (a) To note the Government of Chile's commitment to meet the 2013 and 2015 control measures solely through policy measures and activities directed at the refrigeration servicing sector;
- (b) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Chile for the period 2011-2015, at the amount of US \$1,936,306, comprising US \$1,497,966, plus agency support costs of US \$112,347 for UNDP, and US \$288,489, plus agency support costs of US \$37,504 for UNEP;

- (c) To note that the Government of Chile had agreed to establish an estimated baseline of 100.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 75.2 ODP tonnes reported for 2009 and consumption of 125.3 ODP tonnes estimated for 2010;
- (d) To deduct 22.00 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (e) To approve the draft Agreement between the Government of Chile and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXV to the present report;
- (f) To note that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly;
- (g) To request the Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption; and
- (h) To approve the first tranche of stage I of the HPMP for Chile, and the first implementation plan for 2011-2012, at the amount of US \$673,618, comprising US \$465,566, plus agency support costs of US \$34,917 for UNDP, and US \$153,217, plus agency support costs of US \$19,918 for UNEP.

(Decision 63/53)

Democratic Republic of the Congo (the): HCFC phase-out management plan (stage I, first tranche) (UNEP/UNDP)

156. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/28.
157. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Democratic Republic of the Congo for the period 2011 to 2015, at the amount of US \$527,150, comprising US \$235,000, plus agency support costs of US \$30,550 for UNEP, and US \$240,000, plus agency support costs of US \$21,600 for UNDP;
 - (b) To note that the Government of the Democratic Republic of the Congo had agreed to establish an estimated baseline of 58.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 55.8 ODP tonnes reported for 2009 and revised estimated consumption of 60.3 ODP tonnes for 2010;
 - (c) To approve the draft Agreement between the Government of the Democratic Republic of the Congo and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXVI to the present report;
 - (d) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum

allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and

- (e) To approve the first tranche of stage I of the HPMP for the Democratic Republic of the Congo, and the corresponding implementation plan, at the amount of US \$216,350, comprising US \$95,000, plus agency support costs of US \$12,350 for UNEP, and US \$100,000, plus agency support costs of US \$9,000 for UNDP.

(Decision 63/54)

Indonesia: HCFC phase-out management plan (stage I, first tranche):
(UNDP/Australia/ UNIDO/World Bank)

158. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/34, following which members asked whether the enterprise in the residential air-conditioning sector, which was 60 per cent foreign-owned, could be converted without the need for funding from the Multilateral Fund. The representative of UNDP explained that only 40 per cent of the funding for the conversion of the enterprise in the residential air conditioning sector was being requested from the Multilateral Fund for that activity.

159. It was also pointed out that the HPMP for Indonesia was proposing to address more than 10 per cent of the baseline by 2015 and that the country's total HCFC consumption was above 360 metric tonnes; the policy discussions on those matters under agenda item 8(a) (Overview of issues identified under project review) were therefore relevant.

160. Following the report of a contact group, the Executive Committee decided to request the Government of Indonesia to take into account the modifications proposed by the contact group and to forward its HCFC phase-out management plan to the 64th meeting of the Executive Committee.

(Decision 63/55)

Iran (Islamic Republic of): HCFC phase-out management plan (stage I, first tranche)
(UNDP/Germany/ UNEP/UNIDO)

161. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/35.

162. Concern was expressed that the HPMP for the Islamic Republic of Iran, intended to phase in substances with a high GWP, was addressing more than 10 per cent of its baseline by 2015 and appeared to be instituting a freeze only in those sectors covered by activities in stage I, allowing the others to increase consumption. The policy discussions on those matters under agenda item 8(a) (Overview of issues identified under project review) were therefore relevant.

163. It was also stressed that the funding of accelerated phase-out in countries with high consumption should not have an adverse impact on the Fund's ability to assist countries with lower consumption in meeting their 2015 reduction obligations.

164. Following the report of a contact group, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Islamic Republic of Iran for the period 2011-2015, at the amount of US \$11,298,306, comprising US \$4,565,746, plus agency support costs of US \$342,431 for UNDP; US \$262,000, plus agency support costs of US \$34,060 for UNEP; US \$2,679,827, plus

agency support costs of US \$200,987 for UNIDO; and US \$2,885,815, plus agency support costs of US \$327,440 for the Government of Germany;

- (b) To note that the Government of the Islamic Republic of Iran had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010;
- (c) To deduct 107.10 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of the Islamic Republic of Iran and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXVII to the present report;
- (e) To note that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly;
- (f) To request the Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption; and
- (g) To approve the first implementation plan for 2011-2012, and the first tranche of the HPMP for the Islamic Republic of Iran at the amount of US \$6,400,789, comprising US \$2,242,000, plus agency support costs of US \$168,150, for UNDP; US \$262,000, plus agency support costs of US \$34,060 for UNEP; US \$1,300,000, plus agency support costs of US \$97,500 for UNIDO; and US \$2,063,000, plus agency support costs of US \$234,079 for the Government of Germany.

(Decision 63/56)

Venezuela (Bolivarian Republic of): HCFC phase-out management plan (stage I, first tranche)
(UNIDO/UNEP)

165. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/54.
166. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Bolivarian Republic of Venezuela for the period 2011 to 2015, at the amount of US \$2,044,068, comprising US \$1,758,500, plus agency support costs of US \$131,888 for UNIDO, and US \$136,000, plus agency support costs of US \$17,680 for UNEP;
 - (b) To note that the Government of the Bolivarian Republic of Venezuela had agreed to establish an estimated baseline of 220.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 216.2 ODP tonnes reported for 2009 and consumption of 225.2 ODP tonnes estimated for 2010, plus 1.91 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 222.6 ODP tonnes;
 - (c) To deduct 23.16 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;

- (d) To approve the draft Agreement between the Government of the Bolivarian Republic of Venezuela and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXVIII to the present report;
- (e) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption;
- (f) To request UNIDO to submit the fourth (2015) tranche with verification of consumption for 2013, which would include, *inter alia*, comparisons between data from the National Ozone Unit and from the customs authority, as well as other input by the customs authority, as necessary; and
- (g) To approve the first tranche of stage I of the HPMP for the Bolivarian Republic of Venezuela, and the corresponding implementation plan, at the amount of US \$761,198, comprising US \$654,854, plus agency support costs of US \$49,114 for UNIDO, and US \$50,646, plus agency support costs of US \$6,584 for UNEP.

(Decision 63/57)Viet Nam: HCFC phase-out management plan (stage I, first tranche) (World Bank)

167. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/63/55 and Add.1.

168. Concern was expressed that the HPMP for Viet Nam, intended to phase in substances with a high GWP, was addressing more than 10 per cent of its baseline by 2015 and appeared to be instituting a freeze only in those sectors covered by activities in stage I, allowing the others to increase consumption. The policy discussions on those matters under agenda item 8(a) (Overview of issues identified under project review) were therefore relevant.

169. Furthermore, as the HCFC-141b contained in imported pre-blended polyol was not counted as consumption as per decision 61/47, it was necessary to avoid a situation whereby HCFC-141b was phased out only to be replaced by imported HCFC-141b-based pre-blended polyol.

170. Following the report of a contact group, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Viet Nam for the period 2011 to 2015, at the amount of US \$9,763,820, plus agency support costs of US \$732,287 for the World Bank;
- (b) To note that the Government of Viet Nam had agreed to establish an estimated baseline of 221.2 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 207.5 ODP tonnes reported for 2009 and consumption of 234.9 ODP tonnes estimated for 2010, plus the average consumption of pre-blended polyol in the years 2007 to 2009 of 164.6 ODP tonnes, giving a total of 385.8 ODP tonnes;
- (c) To approve the draft Agreement between the Government of Viet Nam and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXXIX to the present report;

- (d) To note that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly;
- (e) To deduct 140.10 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (f) To request the Fund Secretariat, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption; and
- (g) To approve the first tranche of stage I of the HPMP for Viet Nam, and the corresponding implementation plan, at the amount of US \$3,054,423, plus support costs of US \$229,082 for the World Bank.

(Decision 63/58)

HCFC phase-out activities in China

171. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/63/26 and Add.1, which summarized the overarching strategy for the HPMP in China and presented the Secretariat's comments and recommendations on a total of eight proposals in the foam, refrigeration and solvent sectors. Pursuant to decision 62/60(c), China and interested members of the Executive Committee had held intersessional consultations in Beijing from 22 to 24 February 2011, at which Government representatives, members of the Executive Committee, industry stakeholders, and representatives of the Secretariat and the bilateral and implementing agencies had discussed outstanding technical and cost-related issues that had not been resolved on the basis of the documents presented to the Executive Committee at its 62nd meeting. The Secretariat had continued to address outstanding issues, and the results of those efforts had been incorporated into each sector plan as appropriate, as reflected in document UNEP/OzL.Pro/ExCom/63/26/Add.1.

172. Following the presentation by the Secretariat, the representative of the Government of Switzerland, as the convenor of the intersessional consultations, provided a short update on the consultations. Representatives of the Governments of Australia, Belgium, Canada, Germany, Japan, the Netherlands, Sweden, Switzerland and the United States of America had attended the consultations with representatives of the Environment Protection Ministry of China, as well as various representatives of stakeholder industries. Discussions had focused on developments since the 62nd meeting of the Executive Committee and the need to find the most cost-effective approach so as to reduce the funding required. Those in attendance had benefited from an exchange of information and had heard presentations by industry representatives on the scope of preparation activities, the need to deal with entire subsectors for regulatory reasons, and the need to address subsectors at an early stage in the HPMP in order to limit consumption.

173. A number of members expressed the view that the consultations had improved understanding of the challenges faced by China and had assisted in bridging the gap in positions with regard to funding. The Government of China had provided additional information to the Secretariat through the relevant implementing agencies, making it possible for the Secretariat to conduct the necessary analysis to estimate appropriate incremental costs. A member expressed the willingness to modify China's HPMP to be more cost-effective.

174. Following the discussion, the Executive Committee set up a contact group to continue the discussions begun at the intersessional consultations, in the hopes of resolving all outstanding issues and reaching agreement at the present meeting.

175. Following the report of the contact group, the representative of China thanked the contact group members, the implementation agencies and the members of the Secretariat for their efforts to reach an agreement on China's HCFC phase-out activities. She recognized that the HPMP for China was challenging as the country sought to phase out many substances in a short time and wished to ensure simultaneous climate benefits. She asked the members of the Executive Committee to take China's particular situation and needs into account in its further consideration of the proposed HPMP activities, and pointed out that China would not be able to fulfill its commitment in the Agreement for HCFC phase-out without sufficient funding. Given the progress made at the present meeting, there was reason to hope that the matter would be resolved through more discussion in the margins of the 64th meeting. Other members echoed those hopes for resolution, and expressed thanks for the efforts made and the flexibility shown throughout the discussions in the contact group.

176. Following the discussion, the Executive Committee decided to consider the HCFC phase-out activities for China further at its 64th meeting.

(Decision 63/59)

AGENDA ITEM 9: COUNTRY PROGRAMME

177. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/56, which contained information related to the country programme for Timor-Leste, submitted by UNEP, including an CFC and HCFC phase-out management plan, and an IS programme for which funding had been approved at the 61st meeting.

178. The Executive Committee decided:

- (a) To approve the country programme (CP) for Timor-Leste, noting that its approval did not denote approval of the projects identified therein or their funding levels. Approval of the Timor-Leste CP was without prejudice to the operation of the Montreal Protocol's mechanism for addressing possible non-compliance; and
- (b) To request the Government of Timor-Leste to submit information annually to the Executive Committee on progress being made in the implementation of the CP, in accordance with the decision of the Executive Committee on implementation of CPs (UNEP/OzL.Pro/ExCom/10/40, paragraph 135) using the approved on-line format. The initial report covering the period 1 January 2011 to 31 December 2011 should be submitted to the Fund Secretariat no later than 1 May 2012.

(Decision 63/60)

AGENDA ITEM 10: REPORT ON THE MULTI-YEAR AGREEMENT TABLES DATABASE FOR HCFC PHASE-OUT MANAGEMENT PLANS (DECISION 59/7)

179. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/57 containing a report on the multi-year agreement (MYA) tables database for HPMPs.

180. The Executive Committee decided:

- (a) To note the report on the multi-year agreement (MYA) tables database for HCFC

phase-out management plans (HPMPs) contained in document UNEP/OzL.Pro/ExCom/63/57;

- (b) To request that further work be undertaken as outlined in the above-mentioned report;
- (c) To note that the Senior Monitoring and Evaluation Officer would again be responsible for the MYA database;
- (d) To request agencies to update the entries in the MYA database shortly after the approval of an HPMP to reflect the approved and planned activities for the whole HPMP and the relevant annual implementation plans up to and including the year of the next tranche submission; and
- (e) To request the Senior Monitoring and Evaluation Officer to inform the Executive Committee at the last meeting of each year whether the respective agencies had complied with the request from the Executive Committee under subparagraph (d) above.

(Decision 63/61)

AGENDA ITEM 11: REPORT ON THE MULTILATERAL FUND CLIMATE IMPACT INDICATOR (DECISIONS 59/45 AND 62/62)

181. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/63/58.

182. It was recalled that, at the 62nd meeting, concern had been expressed regarding the complexity of the Multilateral Fund Climate Impact Indicator (MCII). While several members reiterated that view, it was pointed out that over-simplification risked undermining the usefulness and accuracy of the model in analysing complex issues.

183. The need for the Executive Committee to clarify the exact objective and purpose of the MCII was highlighted in order to shape the course of the model's future development. This, moreover, would have a direct bearing on the desired level of complexity. The potential of the MCII to act as a tool for monitoring implementation of HPMPs was pointed out.

184. The evolution of the model since 2007, from a technological point of view, was acknowledged; some members considered that it was the most advanced model of its kind. It was proposed, as a next step, that an informal meeting be organized to enable Executive Committee members to discuss both the model itself and the possibility of forming an expert panel thereon with Secretariat representatives, implementing agencies and experts. It was also recalled that input from the implementing agencies had been solicited by the Executive Committee at its 62nd meeting, but there had been little agency involvement in the web-based discussions that had taken place at the end of 2010. The implementing agencies were encouraged, once again, to engage in the discussions, including the Multilateral Fund web-based discussions.

185. The possibility of developing a climate impact indicator for the servicing sector and its use in assessing the effect of HPMPs on the climate focusing only on servicing was also discussed. In that regard, it was suggested that the Secretariat should first develop a methodology, in close consultation with Executive Committee members, implementing agencies and, if necessary, experts, before beginning work on an actual indicator, subject to an Executive Committee decision.

186. The Executive Committee decided:

- (a) To take note of the report on the experience gained in implementing the Multilateral Fund Climate Impact Indicator (MCII), as presented in document UNEP/OzL.Pro/ExCom/63/58; and
- (b) To continue discussion of the MCII at its 64th meeting.

(Decision 63/62)

AGENDA ITEM 12: REPORT OF THE PRODUCTION SECTOR SUB-GROUP

187. The representative of the Government of Australia, as the convener of the Production Sector Sub-group, introduced the Sub-group's report contained in document UNEP/OzL.Pro/ExCom/63/59, indicating that the Sub-group had only had time to address the status report on the bidding process for the technical audit of the HCFC production sector in China.

188. The Executive Committee decided:

- (a) To note the status report on the bidding process for the technical audit of the HCFC production sector in China; and
- (b) To request the Secretariat to investigate the possibility of the contractor for the technical audits in China submitting an interim report, including audits of HCFC-141b-producing plants and, to the extent possible, HCFC-22- and HCFC-142b-producing plants, and providing a final report of a comprehensive audit of all HCFC-producing plants, without prejudice to which HCFC-producing plants would be addressed first for phase-out.

(Decision 63/63)

AGENDA ITEM 13: OTHER MATTERS

Issue of exceptional circumstances in the former Yugoslav Republic of Macedonia

189. The issue of the exceptional circumstances in the former Yugoslav Republic of Macedonia had been raised under agenda item 8(a) (Overview of issues identified during project review), (see paragraph 60 above). It was further pointed out that that the former Yugoslav Republic of Macedonia needed funds to continue support of its National Ozone Unit (NOU). It had presented its HPMP very early in the process and, because IS was included in its HPMP, this funding was tied to the HPMP tranche. Under the agreement with the former Yugoslav Republic of Macedonia, the request for funding for the second tranche could not be approved until the second meeting of the year. It was nevertheless suggested that the Executive Committee approve a portion of the IS to be included in the second tranche at the present meeting. Several other members expressed their support for this approach.

190. The Executive Committee decided:

- (a) To note that the Government of the former Yugoslav Republic of Macedonia had not only submitted the very first HCFC phase-out management plan (HPMP), but had also included funding for institutional strengthening (IS) as part of the HPMP, which was an innovative concept at that time;
- (b) To further note that, owing to the lengthy discussions leading up to the approval of the HPMP, by the time of its approval, the funding remaining under the previously-approved IS had been depleted more rapidly than originally anticipated; and

- (c) To provide, on an exceptional basis, advance funding for the purpose of IS in the HPMP for the former Yugoslav Republic of Macedonia, at the amount of US \$26,000, plus agency support costs of US \$1,950 for UNIDO, to be deducted from the funding for the second tranche of the HPMP.

(Decision 63/64)

Date and venue of the 65th meeting of the Executive Committee

191. The Chief Officer informed the Executive Committee that the 65th meeting could be held in Bali (Indonesia) from 6 to 10 November 2011, during the week preceding the Twenty-third Meeting of the Parties.

192. The Executive Committee decided to hold its 65th meeting in Bali (Indonesia) from 6 to 10 November 2011.

(Decision 63/65)

AGENDA ITEM 14: ADOPTION OF THE REPORT

193. The Executive Committee adopted its report on the basis of the draft report contained in document UNEP/OzL.Pro/ExCom/63/L.1.

AGENDA ITEM 15: CLOSURE OF THE MEETING

194. Following the customary exchange of courtesies, the Chair declared the Meeting closed at 4.45 p.m. on Friday, 8 April 2011.

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

TABLE 1 : STATUS OF THE FUND FROM 1991-2011 (IN US DOLLARS)

As at 31 March 2011

INCOME		
Contributions received:		
- Cash payments including note encashments		2,387,216,069
- Promissory notes held		35,174,394
- Bilateral cooperation		133,439,873
- Interest earned		203,442,645
- Additional income from loans and other sources		1,198,947
- Miscellaneous income		13,234,363
Total Income		2,773,706,292
ALLOCATIONS* AND PROVISIONS		
- UNDP	605,123,681	
- UNEP	193,507,624	
- UNIDO	608,582,861	
- World Bank	1,026,299,376	
Unspecified projects	1,198,947	
Less Adjustments	-	
Total allocations to implementing agencies		2,434,712,489
Secretariat and Executive Committee costs (1991-2010)		
- includes provision for staff contracts into 2013		85,325,772
Treasury fees (2003-2011)		4,050,550
Monitoring and Evaluation costs (1999-2009)		2,941,754
Technical Audit costs (1998-2010)		1,709,960
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		133,439,873
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		(30,437,792)
Total allocations and provisions		2,631,847,356
Cash		106,684,542
Promissory Notes:		
	2011	9,436,595
	2012	11,202,696
	2013	4,628,013
	Unscheduled	9,907,090
		35,174,394
BALANCE AVAILABLE FOR NEW ALLOCATIONS		141,858,936

* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the Implementing Agencies. It reflects the Secretariat's inventory figures on the net approved amounts. These figures are under review in the on-going reconciliation exercise.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
TABLE 2 : 1991 - 2011 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME
BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 31 March 2011

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	1991 - 2008	2009	2010	2011	1991 - 2011
Pledged contributions	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	2,414,366,078	133,342,202	133,062,054	133,346,281	2,814,116,616
Cash payments/received	206,290,209	381,555,255	412,793,402	407,967,672	417,556,075	336,924,367	2,163,086,980	115,859,643	100,127,930	8,141,516	2,387,216,069
Bilateral assistance	4,366,255	11,909,814	21,498,625	21,315,399	48,014,207	19,098,367	126,202,667	2,990,207	4,246,999	0	133,439,873
Promissory notes	0	0	0	0	0	2,861,915	2,861,915	10,835,355	21,477,125	0	35,174,394
Total payments	210,656,464	393,465,069	434,292,027	429,283,071	465,570,282	358,884,649	2,292,151,562	129,685,204	125,852,054	8,141,516	2,555,830,337
Disputed contributions	0	8,098,267	0	0	0	32,471,642	40,569,909	0	284,227	0	40,854,136
Outstanding pledges	24,272,777	31,376,278	38,274,982	10,716,930	8,429,718	9,143,831	122,214,516	3,656,998	7,210,001	125,204,765	258,286,279
Payments %age to pledges	89.67%	92.61%	91.90%	97.56%	98.22%	97.52%	94.94%	97.26%	94.58%	6.11%	90.82%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	43,537,814	195,393,757	4,403,437	3,645,451	0	203,442,645
Additional income						1,198,947	1,198,947	0	0	0	1,198,947
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	3,377,184	9,851,710	1,741,884	909,467	731,303	13,234,363
TOTAL INCOME	217,422,212	423,288,168	480,201,141	484,354,955	486,330,908	406,998,594	2,498,595,977	135,830,525	130,406,971	8,872,819	2,773,706,292
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	1991 - 2008	2009	2010		1991 - 2011
Total pledges	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	2,414,366,078	133,342,202	133,062,054	133,346,281	2,814,116,616
Total payments	210,656,464	393,465,069	434,292,027	429,283,071	465,570,282	358,884,649	2,292,151,562	129,685,204	125,852,054	8,141,516	2,555,830,337
Payments %age to pledges	89.67%	92.61%	91.90%	97.56%	98.22%	97.52%	94.94%	97.26%	94.58%	6.11%	90.82%
Total income	217,422,212	423,288,168	480,201,141	484,354,955	486,330,908	406,998,594	2,498,595,977	135,830,525	130,406,971	8,872,819	2,773,706,292
Total outstanding contributions	24,272,777	31,376,278	38,274,982	10,716,930	8,429,718	9,143,831	122,214,516	3,656,998	7,210,001	125,204,765	258,286,279
As % to total pledges	10.33%	7.39%	8.10%	2.44%	1.78%	2.48%	5.06%	2.74%	5.42%	93.89%	9.18%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,272,777	31,376,278	32,602,722	9,811,798	7,511,983	6,020,412	111,595,970	2,670,566	3,141,513	3,428,518	120,836,567
CEITs' outstandings %age to pledges	10.33%	7.39%	6.90%	2.23%	1.58%	1.64%	4.62%	2.00%	2.36%	2.57%	4.29%

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 : 1991-2011 Summary Status of Contributions

As at 31 March 2011

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Andorra	34,764	21,779	0	0	12,985	0
Australia*	53,885,957	52,614,050	1,271,907	0	0	522,471
Austria	29,820,885	28,253,261	131,790	0	1,435,834	-1,026,079
Azerbaijan	893,835	311,683	0	0	582,152	0
Belarus	2,757,648	0	0	0	2,757,648	0
Belgium	36,953,779	35,169,914	0	0	1,783,865	597,273
Bulgaria	1,249,950	1,249,950	0	0	0	0
Canada*	99,311,374	83,935,968	10,340,732	0	5,034,675	-4,209,765
Cyprus	557,846	486,621	0	0	71,225	0
Czech Republic	8,063,325	7,815,305	248,020	0	0	173,477
Denmark	24,366,454	24,205,401	161,053	0	0	-917,062
Estonia	270,863	270,862	0	0	0	10,832
Finland	19,144,452	17,779,605	451,870	0	912,977	-783,278
France	215,163,852	180,349,272	14,707,729	9,907,090	10,199,760	-16,355,173
Germany	313,361,380	238,786,314	43,777,579	19,476,970	11,320,517	-2,905,926
Greece	15,477,570	14,216,932	0	0	1,260,638	-1,517,252
Hungary	5,309,587	4,658,166	46,494	0	604,927	-76,259
Iceland	1,107,552	1,047,658	0	0	59,894	22,369
Ireland	9,409,152	8,688,807	0	0	720,345	428,027
Israel	11,567,842	3,824,671	152,462	0	7,590,709	0
Italy	168,558,417	142,568,857	15,287,208	0	10,702,352	3,291,976
Japan	557,099,376	507,001,754	17,611,273	0	32,486,350	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	479,970	479,969	0	0	0	-2,483
Liechtenstein	273,840	273,839	0	0	0	0
Lithuania	738,691	195,543	0	0	543,148	0
Luxembourg	2,486,973	2,486,973	0	0	0	-79,210
Malta	180,788	153,269	0	0	27,519	0
Monaco	187,674	187,674	0	0	0	-1,388
Netherlands	57,032,746	55,516,784	0	0	1,515,962	0
New Zealand	8,113,608	8,113,607	0	0	0	225,284
Norway	21,548,286	21,548,286	0	0	0	270,900
Panama	16,915	16,915	0	0	0	0
Poland	9,958,006	7,673,016	113,000	0	2,171,991	0
Portugal	12,920,688	10,605,959	101,700	0	2,213,029	198,162
Romania	440,060	213,435	0	0	226,625	0
Russian Federation	105,073,728	0	0	0	105,073,728	0
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	2,416,550	2,298,046	16,523	0	101,981	0
Slovenia	1,405,400	1,405,400	0	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	84,244,396	77,148,176	3,184,763	0	3,911,458	-569,654
Sweden	37,654,049	34,231,991	1,688,374	0	1,733,684	-576,965
Switzerland	41,139,728	37,258,095	1,913,230	0	1,968,403	-1,680,340
Tajikistan	106,504	29,757	0	0	76,747	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	9,217,690	1,082,925	0	0	8,134,764	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	190,095,816	178,779,061	565,000	0	10,751,755	-5,477,731
United States of America	647,863,701	588,997,025	21,567,191	5,790,334	31,509,151	0
Uzbekistan	690,604	188,606	0	0	501,998	0
SUB-TOTAL	2,814,116,616	2,387,216,069	133,439,873	35,174,394	258,286,279	-30,437,792
Disputed Contributions***	40,854,136	0	0	0	40,854,136	0
TOTAL	2,854,970,752	2,387,216,069	133,439,873	35,174,394	299,140,415	0

NB: (*) 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.

(***) Amounts for France, Germany, Italy, Japan and the United Kingdom netted off from the 1996 contributions and are shown here for records only. Amount for the United States of America netted off from the 2007 and 2008 contributions. Additional amount of US\$ 284,227 reflected from the USA 2010 contributions.

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

TABLE 4 : Status of Contributions for 2011

As at 31 March 2011

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,948				12,948
Australia	2,892,711	2,892,711			0
Austria	1,435,834				1,435,834
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865				1,783,865
Bulgaria	32,375	32,375			0
Canada	4,819,027				4,819,027
Cyprus	71,225				71,225
Czech Republic	454,869	454,869			0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976				912,976
France	10,199,760				10,199,760
Germany	13,884,041				13,884,041
Greece	964,777				964,777
Hungary	394,976				394,976
Iceland	59,894				59,894
Ireland	720,345				720,345
Israel	678,257				678,257
Italy	8,221,645				8,221,645
Japan	26,910,144				26,910,144
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519				27,519
Monaco	4,856	4,856			0
Netherlands	3,031,924	1,515,962			1,515,962
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995				810,995
Portugal	853,083				853,083
Romania	113,313				113,313
Russian Federation	1,942,503				1,942,503
Slovak Republic	101,981				101,981
Slovenia	155,400	155,400			0
Spain	4,804,458				4,804,458
Sweden	1,733,684				1,733,684
Switzerland	1,968,403				1,968,403
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755				10,751,755
United States of America	29,333,333				29,333,333
Uzbekistan	12,950				12,950
SUB-TOTAL	133,346,281	8,141,516	0	0	125,204,765
		0	0	0	0
TOTAL	133,346,281	8,141,516	0	0	125,204,765

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

TABLE 5 : Status of Contributions for 2010

As at 31 March 2011

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,948	12,911			37
Australia	2,892,711	2,892,711			0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	3,855,222	887,922		75,883
Cyprus	71,225	71,225			0
Czech Republic	454,869	363,904	90,965		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760		207,355	9,907,090	85,315
Germany	13,884,041	2,314,007	305,008	11,570,034	(305,008)
Greece	964,777	668,916			295,861
Hungary	394,976	185,024			209,952
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	6,577,316	655,400		988,929
Japan	26,910,144	25,702,795	1,207,349		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,923			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995				810,995
Portugal	853,083				853,083
Romania	113,313				113,313
Russian Federation	1,942,503				1,942,503
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	4,804,458	893,000		(893,000)
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	29,049,106	26,873,288			2,175,818
Uzbekistan	12,950				12,950
SUB-TOTAL	133,062,054	100,127,930	4,246,999	21,477,125	7,210,001
Disputed Contributions(*)	284,227	0	0	0	284,227
TOTAL	133,346,281	100,127,930	4,246,999	21,477,125	7,494,228

(*) Additional amount on Disputed contribution relating to the USA.

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

TABLE 6 : Status of Contributions for 2009

As at 31 March 2011

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	8,868	8,868			0
Australia	2,892,711	2,892,711			0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	4,579,821	99,440		139,765
Cyprus	71,225	71,225			0
Czech Republic	454,869	363,904	90,965		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760	9,997,393	287,682		(85,315)
Germany	13,884,041	6,942,021	2,199,392	6,942,021	(2,199,392)
Greece	964,777	964,777			(0)
Hungary	394,976	394,976			(0)
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	6,687,842	152,550		1,381,252
Japan	26,910,144	26,749,966	160,178		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,924			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995	260,995			550,000
Portugal	853,083	346,219			506,863
Romania	113,313	113,313			0
Russian Federation	1,942,503				1,942,503
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	4,239,458			565,000
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	29,333,333	25,439,999		3,893,334	0
Uzbekistan	12,950				12,950
TOTAL	133,342,202	115,859,643	2,990,207	10,835,355	3,656,998

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

TABLE 7 : Status of Contributions for 2008

As at 31 March 2011

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	2,660,143	2,660,143			0
Austria	1,435,341	1,435,341			0
Azerbaijan	8,355				8,355
Belarus	30,077				30,077
Belgium	1,786,239	1,786,239			0
Bulgaria	28,406	28,406			0
Canada	4,700,366	3,760,293	940,073		0
Cyprus	65,167	65,167			0
Czech Republic	305,783	305,783			0
Denmark	1,199,738	1,199,738			0
Estonia	20,051	20,051			0
Finland	890,613	890,613			0
France	10,075,793	9,148,063	842,980		84,750
Germany*	14,473,719	4,824,573	2,953,920	964,915	5,730,311
Greece	885,600	885,600			0
Hungary	210,539	210,539			0
Iceland	56,812	56,812			0
Ireland	584,830	584,830			0
Israel	780,331		114,356		665,975
Italy	8,162,562	4,665,805	1,521,994		1,974,763
Japan	29,362,667	29,362,667	33,900		(33,900)
Latvia	25,064	25,064			0
Liechtenstein	8,355	8,355			0
Lithuania	40,103				40,103
Luxembourg	128,663	128,663			0
Malta	23,393	23,393			0
Monaco	5,013	5,013			0
Netherlands	2,823,896	1,671,687			1,152,209
New Zealand	369,279	369,279			0
Norway	1,134,571	1,134,571			0
Poland	770,305	770,305			0
Portugal	785,344	785,344			0
Romania	100,122	100,122			0
Russian Federation	1,838,039				1,838,039
Slovak Republic	85,218	85,218			0
Slovenia	137,017	137,017			0
Spain	4,210,779	4,044,217	731,562		(565,000)
Sweden	1,667,602	1,667,602			0
Switzerland	2,000,120	1,997,218	91,689		(88,787)
Tajikistan	1,671				1,671
Ukraine	65,167				65,167
United Kingdom	10,237,875	10,237,875			0
United States of America**	11,780,749	9,883,749		1,897,000	(0)
Uzbekistan	23,393				23,393
SUB-TOTAL	115,984,871	94,965,358	7,230,474	2,861,915	10,927,125
Disputed Contributions**	17,581,918	0	0	0	17,581,918
TOTAL	133,566,789	94,965,358	7,230,474	2,861,915	28,509,043

(*) Bilateral assistance of US \$572,817 approved at the 51st Meeting of the Excom applied in 2008 and US \$353,814 approved at the 52nd Meeting of the Excom applied in 2008.

(**) Balance of USA Disputed contribution of US \$32,471,642 of which US \$14,889,724 was applied to 2007.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
TABLE 8 : Status of Contributions for 2006-2008
As at 31 March 2011

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	7,980,429	7,850,479	129,950	0	0
Austria	4,306,023	4,306,023	0	0	0
Azerbaijan	25,064	0	0	0	25,064
Belarus	90,231	0	0	0	90,231
Belgium	5,358,718	5,358,718	0	0	0
Bulgaria	85,218	85,218	0	0	0
Canada	14,101,098	12,469,209	1,631,889	0	0
Cyprus	195,500	195,500	0	0	0
Czech Republic	917,348	917,348	0	0	0
Denmark	3,599,214	3,599,214	0	0	0
Estonia	60,154	60,154	0	0	0
Finland	2,671,840	2,671,840	0	0	0
France	30,227,380	27,778,425	2,357,630	0	91,325
Germany*	43,421,156	33,772,009	8,743,355	964,915	(59,124)
Greece	2,656,801	1,527,311	0	0	1,129,490
Hungary	631,617	631,617	0	0	0
Iceland	170,436	170,436	0	0	0
Ireland	1,754,491	1,754,491	0	0	0
Israel	2,340,993	0	114,356	0	2,226,637
Italy	24,487,687	19,590,142	4,787,018	0	110,527
Japan	88,088,000	88,088,000	96,050	0	(96,050)
Latvia	75,192	75,192	0	0	0
Liechtenstein	25,064	25,064	0	0	0
Lithuania	120,308	0	0	0	120,308
Luxembourg	385,988	385,988	0	0	0
Malta	70,180	70,180	0	0	0
Monaco	15,038	15,038	0	0	0
Netherlands	8,471,687	8,471,687	0	0	0
New Zealand	1,107,836	1,107,836	0	0	0
Norway	3,403,713	3,403,713	0	0	0
Poland	2,310,916	2,310,916	0	0	0
Portugal	2,356,031	2,356,031	0	0	0
Romania	100,122	100,122	0	0	0
Russian Federation	5,514,116	0	0	0	5,514,116
Slovak Republic	255,654	255,654	0	0	0
Slovenia	411,052	411,052	0	0	0
Spain	12,632,338	12,470,176	731,562	0	(569,400)
Sweden	5,002,807	5,002,807	0	0	0
Switzerland	6,000,361	5,203,789	506,557	0	290,015
Tajikistan	5,013	0	0	0	5,013
Ukraine	195,500	0	0	0	195,500
United Kingdom	30,713,625	30,713,625	0	0	0
United States of America**	55,616,358	53,719,359	0	1,897,000	(1)
Uzbekistan	70,180	0	0	0	70,180
TOTAL	368,028,480	336,924,367	19,098,367	2,861,915	9,143,831

* Bilateral assistance of US \$572,817 approved at the 51st Meeting of the Excom applied in 2008 and US \$353,814 approved at the 52nd Meeting of the Excom applied in 2008 for Germany.

** The total contribution shown here for the USA for the replenishment period is after netting off the disputed amount of US \$32,471,642.

Table 9: Status of Promissory Notes as at 31 March 2011

MULTILATERAL FUND'S PROMISSORY NOTES

Country	HELD BY			IMPLEMENTING AGENCY FOR WHICH HELD OR ASSIGNED TO					
	A WORLD BANK	B TREASURER	C= A+B TOTAL	D UNDP	E UNEP	F UNIDO	G WORLD	H TREASURER	D+E+F+G+H=I I=C TOTAL
	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value
Canada								0	0
France		9,907,090	9,907,090					9,907,090	9,907,090
Germany		19,476,970	19,476,970					19,476,970	19,476,970
The Netherlands			0					0	0
United Kingdom			0					0	0
United States of America		5,790,334	5,790,334					5,790,334	5,790,334
TOTAL	0	35,174,394	35,174,394	0	0	0	0	35,174,394	35,174,394

2004-2011 Ledger of Promissory Notes as at 31 March 2011

Table 10 : SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2011

RECEIPTS														ENCASHMENTS			
Date of Submission a/	Year of contribution	Country of Origin	P/Note code	Denomination/ Type of currency/	Amount (in Original denomination)	Note Value in USD per UNEP	Date of transfer	Agency	Transfer amount in Original denomination	Date of Encashment	Actual Encashment value (USD)	Gain/(Loss) to intended value (USD)					
25/10/2004	2004	Canada		Can\$	6,216,532.80	3,963,867.12	09/11/2004	IBRD	6,216,532.80	19/01/2005	5,140,136.76	1,176,269.64					
21/04/2005	2005	Canada		Can\$	6,216,532.78	3,963,867.12	Nov. 2005	TREASURER	6,216,532.78	Nov. 2005	5,307,831.95	1,343,964.83					
22/12/2006	2006	Canada		Can\$	4,794,373.31	3,760,292.79	19/01/2007	TREASURER	4,794,373.31	19/01/2007	4,088,320.38	328,027.59					
27/06/2008	2008	Canada		Can\$	4,794,373.31	3,760,292.79	19/09/2008	TREASURER	4,794,373.31	19/09/2008	4,492,699.74	732,606.95					
12/08/2009	2009	Canada		Can\$	3,834,018.00	3,855,221.72	10/12/2009	TREASURER	3,834,018.00	10/12/2009	3,603,327.18	(246,394.82)					
28/05/2010	2010	Canada		Can\$	3,834,018.00	3,855,221.72	06/10/2010	TREASURER	3,834,018.00	06/10/2010	3,759,576.35	(95,643.37)					
31/12/2004	2004	France		Euro	10,597,399.70	9,784,322.50	28/09/2006	TREASURER	10,597,399.70	28/09/2006	12,102,125.26	2,317,802.76					
18/01/2006	2005	France		Euro	11,217,315.23	10,356,675.50	28/09/2006	TREASURER	11,217,315.23	28/09/2006	12,810,062.64	2,453,387.14					
20/12/2006	2006	France		Euro	9,342,968.43	9,342,968.43	31/07/2007	TREASURER	7,503,239.54	31/07/2007	10,249,425.21	906,456.78					
Dec.2007	2007	France		Euro	7,483,781.61	9,287,393.43	16/09/2008	TREASURER	7,483,781.61	16/09/2008	10,629,963.40	1,342,569.97					
Dec.2008	2008	France		Euro	7,371,509.51	9,148,063.43	08/12/2009	TREASURER	7,371,509.51	08/12/2009	10,882,559.47	1,734,496.04					
Oct.2009	2009	France		Euro	6,568,287.40	9,997,393.30	06/10/2010	TREASURER	6,568,287.40	06/10/2010	8,961,114.64	(1,036,278.66)					
Oct.2010	2010	France		Euro	6,508,958.32	9,907,090.30	BALANCE	TREASURER									
09/08/2004	2004	Germany	BU 104 1006 01	US\$	18,914,439.57	18,914,439.57	03/08/2005	TREASURER	6,304,813.19	03/08/2005	6,304,813.19	-					
							11/08/2006	TREASURER	6,304,813.19	11/08/2006	6,304,813.19	-					
							16/02/2007	TREASURER	3,152,406.60	16/02/2007	3,152,406.60	-					
							10/08/2007	TREASURER	3,152,406.60	10/08/2007	3,152,406.60	-					
									18,914,439.57								
08/07/2005	2005	Germany	BU 105 1003 01	US\$	7,565,775.83	7,565,775.83	18/04/2006	TREASURER	1,260,962.64	18/04/2006	1,260,962.64	-					
							11/08/2006	TREASURER	1,260,962.64	11/08/2006	1,260,962.64	-					
							16/02/2007	TREASURER	1,260,962.64	16/02/2007	1,260,962.64	-					
							10/08/2007	TREASURER	1,260,962.64	10/08/2007	1,260,962.64	-					
							12/02/2008	TREASURER	1,260,962.64	12/02/2008	1,260,962.64	-					
							12/08/2008	TREASURER	1,260,962.63	12/08/2008	1,260,962.64	-					
									7,565,775.83								
10/05/2006	2006	Germany	BU 106 1004 01	Euro	11,662,922.38	14,473,718.52	28/02/2007	TREASURER	1,943,820.40	28/02/2007	2,558,067.65	145,781.24					
							10/08/2007	TREASURER	1,943,820.40	10/08/2007	2,681,305.85	268,019.44					
							12/02/2008	TREASURER	1,943,820.40	12/02/2008	2,821,066.54	408,780.12					
							12/08/2008	TREASURER	1,943,820.40	12/08/2008	2,930,114.87	517,828.45					
							17/02/2009	TREASURER	1,943,820.40	17/02/2009	2,492,560.89	80,274.47					
							12/08/2009	TREASURER	1,943,820.38	12/08/2009	2,760,613.72	348,327.28					
									11,662,922.38								
23/07/2007	2007	Germany	BU 107 1006 01	Euro	11,662,922.38	14,473,718.52	12/02/2008	TREASURER	1,943,820.40	12/02/2008	2,821,066.54	408,780.12					
							12/08/2008	TREASURER	1,943,820.39	12/08/2008	2,930,114.87	517,828.46					
							17/02/2009	TREASURER	1,943,820.40	17/02/2009	2,492,560.89	80,274.47					
							12/08/2009	TREASURER	1,943,820.38	12/08/2009	2,760,613.72	348,327.30					
							11/02/2010	TREASURER	1,943,820.40	11/02/2010	3,179,312.65	767,026.23					
							10/08/2010	TREASURER	1,943,820.41	10/08/2010	2,561,178.36	148,891.93					
									11,662,922.38								
15/08/2008	2008	Germany	BU 108 1004 01	Euro	4,665,168.96	5,789,487.42	17/02/2009	TREASURER	777,528.16	17/02/2009	997,024.36	32,109.79					
							12/08/2009	TREASURER	777,528.16	12/08/2009	1,104,245.49	139,330.92					
							11/02/2010	TREASURER	777,528.16	11/02/2010	529,107.91	(435,806.66)					
							10/08/2010	TREASURER	777,528.16	10/08/2010	1,024,470.50	95,555.93					
							10/02/2011	TREASURER	777,528.16	10/02/2011	1,060,159.65	95,245.05					
							BALANCE	TREASURER	777,528.16								
									4,665,168.96								
18/12/2009	2009	Germany	BU 109 1007 01	Euro	9,121,815.12	13,884,041.00	11/02/2010	TREASURER	1,520,302.52	11/02/2010							
							10/08/2010	TREASURER	1,520,302.52	10/08/2010	2,003,150.60	(310,856.28)					
							10/02/2011	TREASURER	1,520,302.52	10/02/2011	2,072,932.48	(241,074.39)					
							BALANCE	TREASURER	4,560,907.56								
									9,121,815.12								
14/04/2010	2010	Germany	BU 110 1002 01	Euro	9,121,815.12	13,884,041.00	10/02/2011	TREASURER	1,520,302.52	10/02/2011	2,072,932.48	(241,074.40)					
							BALANCE	TREASURER	7,601,512.60								
									9,121,815.12								
08/12/2003	2004	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	17/11/2004	TREASURER	3,364,061.32	17/11/2004	3,364,061.32	-					
08/12/2003	2005	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	05/12/2005	TREASURER	3,364,061.32	05/12/2005	3,364,061.32	-					
18/05/2004	2004	UK		GBP	7,243,564.08	10,718,502.63	23/08/2005	TREASURER	1,207,260.68	23/08/2005	2,166,550.02	380,132.91					
							Feb. 2006	TREASURER	3,621,782.04	Feb. 2006	6,303,711.64	944,460.32					
							24/07/2006	TREASURER	3,621,782.04	24/07/2006	4,473,383.73	900,549.53					
									7,243,564.08		12,943,645.39	2,225,142.76					
01/06/2005	2005	UK		GBP	7,243,564.08	10,718,502.63	24/07/2006	TREASURER	1,207,260.68	24/07/2006	2,236,691.86	450,274.75					
							09/08/2006	TREASURER	3,163,681.03	09/08/2006	6,036,303.40	1,354,916.85					

Table 10 : SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2011

Table 10 : SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2011												
RECEIPTS							ENCASHMENTS					
Date of Submission a/	Year of contribution	Country of Origin	P/Note code	Denomination/ Type of currency	Amount (in Original denomination)	Note Value in USD per UNEP	Date of transfer	Agency	Transfer amount in Original denomination	Date of Encashment	Actual Encashment value (USD)	Gain/(Loss) to intended value (USD)
						4,250,698.97	16/08/2006	TREASURER	2,872,622.37	16/08/2006	5,429,236.28	1,178,537.31
						10,718,502.63			7,243,564.08		13,702,231.54	2,983,728.91
13/05/2005	2004	USA		US\$	4,920,000.00	4,920,000.00	27/10/2005	TREASURER	2,000,000.00	27/10/2005	2,000,000.00	-
							02/11/2006	TREASURER	2,000,000.00	02/11/2006	2,000,000.00	-
							25/10/2007	TREASURER	920,000.00	25/10/2007	920,000.00	-
									4,920,000.00			
01/03/2006	2005	USA		US\$	3,159,700.00	3,159,700.00	02/11/2006	TREASURER	2,000,000.00	02/11/2006	2,000,000.00	-
							25/10/2007	TREASURER	1,159,700.00	25/10/2007	1,159,700.00	-
									3,159,700.00			
25/04/2007	2006	USA		US\$	7,315,000.00	7,315,000.00	25/10/2007	TREASURER	2,500,000.00	25/10/2007	2,500,000.00	-
							19/11/2008	TREASURER	2,500,000.00	19/11/2008	2,500,000.00	-
							11/05/2009	TREASURER	2,315,000.00	11/05/2009	2,315,000.00	-
									7,315,000.00			
21/02/2008	2006	USA		US\$	4,683,000.00	4,683,000.00	19/11/2008	TREASURER	2,341,500.00	19/11/2008	2,341,500.00	-
							11/05/2009	TREASURER	2,341,500.00	11/05/2009	2,341,500.00	-
									4,683,000.00			
21/04/2009	2008	USA		US\$	5,697,000.00	5,697,000.00						
						1,900,000.00	11/05/2009	TREASURER	1,900,000.00	11/05/2009	1,900,000.00	-
						1,900,000.00	04/11/2010	TREASURER	1,900,000.00	04/11/2010	1,900,000.00	-
						1,897,000.00	BALANCE	TREASURER	3,797,000.00			

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

**Table 11: OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT 31 MARCH 2011
 (IN US\$)**

	Due in 2011	Due in 2012	Due in 2013	Unscheduled	TOTAL
<u>FRANCE:</u>				9,907,090	9,907,090
<u>GERMANY:</u>					
2008	964,914				964,914
2009	2,314,007	4,628,015			6,942,022
2010	2,314,007	4,628,014	4,628,013		11,570,034
<u>USA:</u>					
2009 Note: (US\$)	1,897,000				1,897,000
2010 Note: (US\$)	1,946,667	1,946,667			3,893,334
	9,436,595	11,202,696	4,628,013	9,907,090	35,174,394

NOTE:

For the triennium 2006 - 2008, Germany opted to pay in Euro, using the FERM.
 Germany's annual payment are made in two tranches, February and August.

USA's promissory notes due in 2011 are payable in November.

Annex II

REVISED COUNTRY PROGRAMME REPORT FORMAT

COUNTRY: XXXX

YEAR: January to December of the year

YYYY

A. Data on Controlled Substances (in METRIC TONNES)

NOTE: Data entry is required in UNSHADED cells only

Substance ¹	Use by Sector										Import	Export ²	Production ²	Remarks (e.g., stockpiling if use is different from consumption)	
	Aerosol	Foam	Fire Fighting	Refrigeration		Solvent	Process agent	Lab Use	Methyl bromide*						TOTAL
				Manufacturing	Servicing				QPS	Non-QPS					
Annex B, Group III															
Methyl chloroform											0.00				
Sub-Total						0.00	0.00	0.00			0.00	0.00	0.00	0.00	
Annex C, Group I															
HCFC-22											0.00				
HCFC-141b											0.00				
HCFC-141b in imported pre-blended polyol											0.00				
HCFC-142b											0.00				
HCFC-123											0.00				
HCFC-124											0.00				
HCFC-133											0.00				
HCFC-225											0.00				
HCFC-225ca											0.00				
HCFC-225cb											0.00				
Other ³											0.00				
Other ³											0.00				
Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	
Annex E															
Methyl bromide											0.00				
Sub-Total										0.00	0.00	0.00	0.00	0.00	
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	

* QPS = Quarantine and pre-shipment; Non-QPS = Non-quarantine and pre-shipment.
 1 Where the data involves a blend of two or more substances, the quantities of individual components of controlled substances must be indicated separately.
 2 Where applicable.
 3 Indicate relevant controlled substances.

XXXX				
B. Regulatory, administrative and supportive actions				
TYPE OF ACTION / LEGISLATION		HCFC		Remarks
		Yes/No	If Yes, since when (Date) / If No, planned date	
1.	REGULATIONS:			
1.1	Establishing guidelines to control import (production and export) of HCFCs			
1.1.1	Import/export licensing or permit system in place for HCFCs			
1.1.1.1	Import licensing system in place for HCFCs			
1.1.1.2	Export licensing system in place for HCFCs			
1.1.1.3	Permit system in place for import of HCFCs			
1.1.1.4	Permit system in place for export of HCFCs			
1.1.2	Regulatory procedures for HCFC data collection and reporting in place			
1.1.2.1	Regulatory procedures for HCFC data collection in place			
1.1.2.2	Regulatory procedures for HCFC data reporting in place			
1.1.3	Requiring permits for import or sale of HCFCs			
1.1.3.1	Requiring permits for import of HCFCs			
1.1.3.2	Requiring permits for sale of HCFCs			
1.1.4	Quota system in place for import of HCFCs			
1.1.5	Licensing/quota systems include accelerated HCFC control measures agreed in 2007			
1.1.5.1	Licensing system includes HCFC control measures			
1.1.5.2	Quota system includes HCFC control measures			
1.2	Banning import or sale of bulk quantities of:			
1.2.1	Banning import of bulk quantities of:			
1.2.1.1	TCA			
1.2.1.2	Methyl bromide			
1.2.1.3	HCFC			
1.2.2	Banning sale of bulk quantities of:			
1.2.2.1	TCA			
1.2.2.2	Methyl bromide			
1.2.2.3	HCFC			
1.3	Banning import or sale of ODS-based equipment and/or products			
1.3.1	Banning import of ODS-based equipment and/or products:			
1.3.1.1	Domestic refrigerators			
1.3.1.2	Freezers			
1.3.1.3	MAC systems			

TYPE OF ACTION / LEGISLATION		Yes/No	If Yes, since when (Date) / If No, planned date	Remarks
1.3.1.4	Air conditioners			
1.3.1.5	Chillers			
1.3.1.6	Aerosols except for metered-dose inhalers			
1.3.1.7	HCFC for production of some or all types of foam			
1.3.2	Banning sale of ODS-based equipment and/or products:			
1.3.2.1	Used domestic refrigerators			
1.3.2.2	Used freezers			
1.3.2.3	MAC systems			
1.3.2.4	Air conditioners			
1.3.2.5	Chillers			
1.3.2.6	Aerosols except for metered-dose inhalers			
1.3.2.7	HCFC for production of some or all types of foam			
1.4	<i>Training and certification programmes</i>			
1.4.1	Training programmes:			
1.4.1.1	For training of customs officers			
1.4.1.2	For training of refrigeration service technicians			
1.4.1.3	System for monitoring and evaluation of training programmes			
1.4.2	Certification programmes:			
1.4.2.1	For training of customs officers			
1.4.2.2	For training of refrigeration service technicians			
1.4.2.3	System for monitoring and evaluation of training programmes			
1.5	<i>Recovery and recycling</i>			
1.5.1	<i>Mandatory recovery and recycling</i>			
1.5.2	<i>Monitoring system for reporting on recovered and recycled</i>			
1.6	<i>Other regulations (please specify)</i>			
1.6.1				
1.6.2				
1.7	<i>HCFC-141b in imported pre-blended polyols</i>			
1.7.1	<i>Is HCFC-141b in imported pre-blended polyol reported under Article 7?</i>			
2.	ENFORCEMENT OF ODS IMPORT CONTROLS			
2.1	<i>Is registration of HCFC importers required?</i>			
2.2	<i>Is there a shared database on import quotas and actual imports between ozone office and customs?</i>			
2.3	<i>Have there been instances of unauthorized HCFC imports stopped?</i>			
2.4	<i>Are estimated quantities and origin of HCFC imports tracked by country?</i>			

XXXX

C. Quantitative assessment of the phase-out programme

Description	Annual	Cumulative	Remarks
Import quotas/licenses issued (metric tonnes)			
Methyl chloroform			
Methyl bromide			
HCFC-22			
HCFC-141b			
HCFC-141b in Imported Pre-blended Polyol			
HCFC-142b			
HCFC-123			
HCFC-124			
HCFC-133			
HCFC-225			
HCFC-225ca			
HCFC-225cb			
Others			
Export quotas/licenses issued (metric tonnes)			
Methyl chloroform			
Methyl bromide			
HCFC-22			
HCFC-141b			
HCFC-141b in Imported Pre-blended Polyol			
HCFC-142b			
HCFC-123			
HCFC-124			
HCFC-133			
HCFC-225			
HCFC-225ca			
HCFC-225cb			
Others			
Average estimated retail price of ODS/substitutes (US\$/kg)			
HCFC-22			
HCFC-141b			
HCFC-141b in Imported Pre-blended Polyol			
HCFC-142b			
HCFC-123			
HCFC-124			
HCFC-133			
HCFC-225			
HCFC-225ca			
HCFC-225cb			
HFC-134a			
R-404A			
R-507A			
R-410A			
R-407C			
HFC-245fa			
HFC-356mfc			
HFC-227ea			
Isobutane (HC-600a)			
Propane (HC-290)			
Pentane			
Cyclopentane			
Methyl formate			
MDI (for production of foam)			
Training programmes (HCFC)			
Number of trainers for customs trained			
Number of customs officers trained			
Number of trainers for technicians trained			
Number of technicians trained			
Number of technicians certified			
Recovery/recycling/reused (metric tonnes where applicable)			
Estimated HCFC-22 recovered with equipment funded by Multilateral Fund			
Total HCFC-22 recovered			
Estimated HCFC-22 reused with equipment funded by Multilateral Fund			
Total HCFC-22 reused			
Number of funded recovery machines in operation			
Number of funded recovery machines not in operation			
Number of funded recycling machines in operation			
Number of funded recycling machines not in operation			
Number of funded end-users converted			
Number of funded end-users retrofitted			

D. Qualitative assessment of the operation of HPMP

1. Is the HPMP and its components (recovery and recycling programmes, equipment retrofit, training of technicians and customs, and legislation) proceeding as scheduled:

- Yes
 No
 N/A HPMP already completed

If not, please specify milestones and completion dates with delays, and explain reasons for the delay and measures taken to overcome the problems:

2. The HCFC import licensing and quota system scheme functions:

- Very well
 Satisfactorily
 Not so well

Please specify problems encountered: _____

3. The HCFC recovery and recycling programme functions:

- Very well
 Satisfactorily
 Not so well

Please specify problems encountered: _____

4. The HPMP will enable the Government to achieve:

- the 10% HCFC reduction target in 2015
 the 35% HCFC reduction target in 2020
 the 97.5% HCFC reduction target in 2030
 the complete phase-out of HCFC in 2040
 Accelerated total phase-out by _____

5. Additional measures that are needed and planned to assist in the implementation of the HPMP and to achieve compliance:

E. Comment by bilateral/implementing agency(ies)

Annex III

PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS WERE REQUESTED

Agency	Code	Project Title	Reasons
IBRD	IND/PRO/59/INV/435	Accelerated CFC production phase-out (first tranche)	Additional status report required to assess the status of signature of agreement
UNEP	SAU/SEV/53/INS/02	Institutional strengthening (establishment of Ozone Unit)	Additional status report required to assess the status of the preparation of the financial reports
UNIDO	AFR/REF/48/DEM/37	Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and the Sudan)	Additional status report required to assess the status of the negotiation with the Nigerian Bank of Industry
UNIDO	ARG/PHA/47/INV/147	National CFC phase-out plan: 2006 work programme	Additional status report required to assess the status of customs clearance and tax exemption of equipment imported in 2009
UNIDO	ARG/PHA/50/INV/150	National CFC phase-out plan: 2007 work programme	Additional status report required to assess the status of customs clearance and tax exemption of equipment imported in 2009
UNIDO	ARG/PHA/53/INV/152	National CFC phase-out plan: 2008 work programme	Additional status report required to assess the status of customs clearance and tax exemption of equipment imported in 2009
UNIDO	IND/PHA/45/INV/385	CTC phase-out plan for the consumption and production sectors: 2005 annual programme	Additional status report required to assess the status of proposals from local suppliers
UNIDO	IND/PHA/49/INV/402	CTC phase-out plan for the consumption and production sectors: 2006 annual programme	Additional status report required to assess the status of proposals from local suppliers

Annex IV

**PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS WERE REQUESTED FOR
HPMP DEVELOPMENT**

Agency	Code	Project Title	Reasons
UNDP	PER/PHA/55/PRP/40	Preparation of a HCFC phase-out management plan	Additional status report since the project is at an initial stage of development.
UNEP	ANT/PHA/55/PRP/12	Preparation of a HCFC phase-out management plan	Additional status report since the project is at an initial stage of development.
UNEP	BGD/PHA/56/PRP/30	Preparation of a HCFC phase-out management plan	Additional status report since the project is at an initial stage of development.
UNEP	BHA/PHA/55/PRP/15	Preparation of a HCFC phase-out management plan	Additional status report since the project is at an initial stage of development.
UNEP	BRU/PHA/55/PRP/11	Preparation of a HCFC phase-out management plan	Additional status report since the project is at an initial stage of development.
UNIDO	BHE/PHA/55/PRP/23	Preparation of a HCFC phase-out management plan	Additional status report since the project is at an initial stage of development.
UNIDO	SOA/PHA/55/PRP/01	Preparation of a HCFC phase-out management plan	Additional status report since the project is at an initial stage of development.

Annex V

2011 BUSINESS PLAN PERFORMANCE INDICATORS FOR UNDP

Item	2011 Targets
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	38
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	21
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	2
ODS phased-out for individual projects versus those planned per progress reports	1.7 ODP tonnes
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	28
Number of policy/regulatory assistance completed versus that planned	N/A
Speed of financial completion versus that required per progress report completion dates	On time
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

Annex VI

2011 BUSINESS PLAN PERFORMANCE INDICATORS FOR UNEP

Item	2011 Targets
Number of annual programmes of multi-year agreements approved versus those planned	81
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	79
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	3
ODS phased-out for individual projects versus those planned per progress reports	13.3 ODP tonnes
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	26
Number of policy/regulatory assistance completed versus that planned	100% of countries listed in the annex of UNEP's Business Plan narrative either received assistance or assistance was offered
Speed of financial completion versus that required per progress report completion dates	On time
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

**PERFORMANCE INDICATORS FOR UNEP'S COMPLIANCE ASSISTANCE
PROGRAMME (CAP)**

Performance Indicator	Data	Assessment	2011 Targets
Efficient follow-up to regional network/ thematic meetings	List of recommendations emanating from 2008 regional network/thematic meetings	Implementation rate of those meeting recommendations that are to be implemented in 2010	90 % implementation rate
Effective support to NOUs in their work, particularly guidance to new NOUs	List of innovative ways/means/products/ services for supporting NOUs in their work, with specification of those destined for new NOUs	Number of innovative ways/means/products/ services for supporting NOUs in their work, with specification of those destined for new NOUs	<ul style="list-style-type: none"> ▪ 7 such ways/means/ products/services; ▪ All new NOUs receive capacity building support. ▪ 10 additional countries submit CP reports using the Multilateral Fund Secretariat's online data reporting system
Assistance to countries in actual or potential non-compliance (as per MOP decisions and/or as per reported Article 7 data and trend analysis)	List of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	Number of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	All such countries
Innovations in production and delivery of global and regional information products and services	List of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	Number of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	7 such products and services
Close cooperation between CAP regional teams and IAs and BAs working in the regions	List of joint missions/ undertakings of CAP regional staff with IAs and BAs	Number of joint missions/ undertakings	5 in each region

Annex VII

2011 BUSINESS PLAN PERFORMANCE INDICATORS FOR UNIDO

Item	2011 Targets
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	44
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	12
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	6
ODS phased-out for individual projects versus those planned per progress reports	594 ODP tonnes
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	19
Number of policy/regulatory assistance completed versus that planned	N/A
Speed of financial completion versus that required per progress report completion dates	12 months after operational completion
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

Annex VII

2011 BUSINESS PLAN PERFORMANCE INDICATORS FOR UNIDO

Item	2011 Targets
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	44
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	12
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	6
ODS phased-out for individual projects versus those planned per progress reports	594 ODP tonnes
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	19
Number of policy/regulatory assistance completed versus that planned	N/A
Speed of financial completion versus that required per progress report completion dates	12 months after operational completion
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

Annex VIII

2011 BUSINESS PLAN PERFORMANCE INDICATORS FOR THE WORLD BANK

Item	2011 Targets
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	8/8*
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	3/3
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	2/2**
ODS phased-out for individual projects versus those planned per progress reports	697***
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	5***
Number of policy/regulatory assistance completed versus that planned	100%
Speed of financial completion versus that required per progress report completion dates	11 months
Timely submission of project completion reports versus those agreed	100%
Timely submission of progress reports and responses unless otherwise agreed	100%

*Following the recommendation of the Secretariat, sub-sectors under one HPMP are not counted separately, even if they are under different agencies.

** Another 8 MYAs are under implementation and are being supervised by the Bank for sustainable phase-out, for which funding is not requested.

*** This figure is based on the 2009 progress report, following the Secretariat's recommendation.

Annex IX

**REVISED AGREED CONDITIONS FOR THE PHASE-OUT OF
METHYL BROMIDE IN MEXICO**

1. The Executive Committee:
 - (a) At its 42nd Meeting, approved US \$1,105,000 as the total funds that will be available to Mexico in order to achieve the 2005 allowable level of methyl bromide consumption (phase-out of 162.4 ODP tonnes);
 - (b) At its 54th Meeting, approved in principle an additional US \$9,222,379, as the total funds that will be available to Mexico to achieve the complete phase-out of controlled uses of methyl bromide in soil and commodities fumigation (895 ODP tonnes);
 - (c) At its 63rd Meeting, noted the return by the Government of Canada of US \$500,000 plus agency support costs of US \$58,527, representing the total funds approved for the second tranche of the phase-out of methyl bromide in commodities, and approved US \$500,000 plus US \$37,500 in agency support for UNIDO for the implementation of this same tranche; and
 - (d) At its 63rd Meeting, approved also the request by the Government of Mexico to transfer US \$417,522 excluding agency support costs associated with the 2012 and 2013 work programmes for the phase-out of methyl bromide in commodities from the Government of Canada to UNIDO.

2. As reported to the Ozone Secretariat, the methyl bromide baseline for compliance for Mexico is 1,130.8 ODP tonnes; the 2009 methyl bromide consumption was 745.4 ODP tonnes. Accordingly, Mexico has achieved compliance with the Montreal Protocol's 2002 freeze obligation and is in compliance with the Protocol's 20 per cent reduction in 2005.

3. Reductions in accordance with the terms of the above-mentioned projects and other commitments presented in the projects' documents will ensure that Mexico meets the reduction schedule presented below. In this regard, Mexico will reduce the national consumption of controlled uses of methyl bromide, excluding quarantine and pre-shipment applications, to no more than the following levels of consumption in the years listed below:

Year	Annual phase-out (ODP tonnes)	Allowable consumption (ODP tonnes)
2008	0	895
2009	100	795
2010	120	675
2011	150	525
2012	200	325
2013	325	

4. Mexico commits to permanently sustaining the consumption levels indicated above through the use of import quotas and other policies it may deem necessary.

5. Funding for the projects will be disbursed by UNIDO and the Governments of Canada, Italy and Spain and with the following yearly budget breakdown:

Year	Soil fumigation			Commodities	Total funding (US \$)
	UNIDO (US \$)	Italy (US \$)	Spain (US \$)	Canada/UNIDO (US \$)	
2008	2,000,000	1,000,000		500,000	3,500,000
2010	2,000,000		800,000	500,000*	3,300,000
2012	1,000,000		800,000	200,000*	2,000,000
2013	204,857			217,522*	422,379
Total	5,204,857	1,000,000	1,600,000	1,417,522	9,222,379

(*) To be implemented by UNIDO

6. The Government of Mexico has reviewed the consumption data identified in all sectors covered by the projects and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, in case any additional methyl bromide consumption is identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government of Mexico.

7. The Government of Mexico, in agreement with UNIDO and the Governments of Canada, Italy and Spain, will have flexibility in organizing and implementing the project's components that it deems more important in order to meet the methyl bromide phase-out commitments noted above. UNIDO, and the Governments of Canada, Italy and Spain agree to manage the funding for the projects in a manner designed to ensure the achievement of the specific methyl bromide reductions agreed upon.

8. UNIDO shall report annually to the Executive Committee on the progress achieved in meeting the methyl bromide reductions required in all sectors, as well as on annual costs related to the use of the alternative technologies selected and the inputs purchased with the projects' funds.

9. These revised agreed conditions supersede those reached between the Government of Mexico and the Executive Committee at the 54th Meeting of the Executive Committee.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
AFGHANISTAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$120,000	\$15,600	\$135,600	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 23.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 22.2 ODP tonnes reported for 2009 and consumption of 24.4 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
HCFC phase-out management plan (stage I, first tranche)	Germany		\$85,000	\$11,050	\$96,050	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 23.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 22.2 ODP tonnes reported for 2009 and consumption of 24.4 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Afghanistan			\$205,000	\$26,650	\$231,650	
ANGOLA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase III)	UNEP		\$134,400	\$0	\$134,400	
<i>Approved on the understanding that the disbursement of funding was contingent on confirmation of the deposit of the instrument of ratification of the London Amendment to the Montreal Protocol by the United Nations in New York.</i>						
Total for Angola			\$134,400		\$134,400	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BENIN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNIDO		\$100,000	\$7,500	\$107,500	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 23.6 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 23.6 ODP tonnes reported for 2009 and consumption of 23.6 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$85,000	\$11,050	\$96,050	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 23.6 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 23.6 ODP tonnes reported for 2009 and consumption of 23.6 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Benin			\$185,000	\$18,550	\$203,550	
BHUTAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (first tranche)	UNEP		\$100,000	\$13,000	\$113,000	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025, and that the country could submit the request for the final tranche, presently foreseen for 2025, in 2020 if the HCFC consumption had been completely phased out at that time. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the level of consumption of 0.3 ODP tonnes reported for 2009. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025, and that the country could submit the request for the final tranche, presently foreseen for 2025, in 2020 if the HCFC consumption had been completely phased out at that time. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the level of consumption of 0.3 ODP tonnes reported for 2009. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNDP		\$70,000	\$6,300	\$76,300	
Total for Bhutan			\$170,000	\$19,300	\$189,300	
BOSNIA AND HERZEGOVINA						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (rigid polyurethane foam applications)	UNIDO		\$30,000	\$2,250	\$32,250	
Total for Bosnia and Herzegovina			\$30,000	\$2,250	\$32,250	
CHILE						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted the Government's commitment to meet the 2013 and 2015 control measures solely through policy measures and activities directed at the refrigeration servicing sector; that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly; and that the Government had agreed to establish an estimated baseline of 100.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 75.2 ODP tonnes reported for 2009 and consumption of 125.3 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly. UNDP, UNEP and the Government were requested to deduct 22 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>	UNDP	5.7	\$465,566	\$34,917	\$500,483	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted the Government's commitment to meet the 2013 and 2015 control measures solely through policy measures and activities directed at the refrigeration servicing sector; that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly; and that the Government had agreed to establish an estimated baseline of 100.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 75.2 ODP tonnes reported for 2009 and consumption of 125.3 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly. UNDP, UNEP and the Government were requested to deduct 22 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>	UNEP	1.9	\$153,217	\$19,918	\$173,135	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IX)	UNDP		\$186,550	\$13,991	\$200,541	
	Total for Chile	7.6	\$805,333	\$68,826	\$874,159	
CONGO						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 10.1 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 9.7 ODP tonnes reported for 2009 and consumption of 10.6 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNIDO		\$100,000	\$9,000	\$109,000	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 10.1 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 9.7 ODP tonnes reported for 2009 and consumption of 10.6 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNEP		\$45,000	\$5,850	\$50,850	
Total for Congo			\$145,000	\$14,850	\$159,850	
CONGO, DR						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 58.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 55.8 ODP tonnes reported for 2009 and revised estimated consumption of 60.3 ODP tonnes for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNDP		\$100,000	\$9,000	\$109,000	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 58.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 55.8 ODP tonnes reported for 2009 and revised estimated consumption of 60.3 ODP tonnes for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNEP		\$95,000	\$12,350	\$107,350	
Total for Congo, DR			\$195,000	\$21,350	\$216,350	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
COOK ISLANDS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$49,250	\$6,403	\$55,653	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 1.2 metric tonnes, calculated using actual consumption reported for 2009 (0.57mt) and estimated consumption for 2010 (1.82mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Cook Islands			\$49,250	\$6,403	\$55,653	
CROATIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VII)	UNEP		\$87,707	\$0	\$87,707	
Total for Croatia			\$87,707		\$87,707	
ECUADOR						
FUMIGANT						
Methyl bromide						
Preparation of investment activities in cut-flowers production	UNIDO		\$45,000	\$3,375	\$48,375	
<i>Approved on the understanding that the resulting investment project constituted the final phase-out for methyl bromide in Ecuador, and that no additional project preparation funding would be provided for methyl bromide activities in future for the country.</i>						
Total for Ecuador			\$45,000	\$3,375	\$48,375	
ERITREA						
PHASE-OUT PLAN						
CFC phase out plan						
Terminal phase-out management plan for CFCs (second tranche)	UNEP		\$70,000	\$9,100	\$79,100	
<i>The Government was encouraged to complete its activities for the first tranche of the TPMP as soon as possible. The second tranche was approved to complete the remaining activities to sustain zero consumption of CFCs and support other activities to facilitate the phase-out of HCFCs. The Government was requested, with the assistance of UNEP and UNIDO, to submit a progress report on the implementation of the work programme associated with the second and final tranche of the TPMP no later than the 67th Meeting.</i>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Terminal phase-out management plan for CFCs (second tranche)	UNIDO	4.2	\$75,000	\$6,750	\$81,750	
<i>The Government was encouraged to complete its activities for the first tranche of the TPMP as soon as possible. The second tranche was approved to complete the remaining activities to sustain zero consumption of CFCs and support other activities to facilitate the phase-out of HCFCs. The Government was requested, with the assistance of UNEP and UNIDO, to submit a progress report on the implementation of the work programme associated with the second and final tranche of the TPMP no later than the 67th Meeting.</i>						
Total for Eritrea		4.2	\$145,000	\$15,850	\$160,850	
GEORGIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNDP		\$200,000	\$15,000	\$215,000	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that US \$315,000 was provided to address HCFC consumption in the refrigeration servicing sector to reach up to and including the 35 per cent reduction in 2020 in line with decision 60/44 and that US \$185,900 was provided for the phase-out of 0.72 ODP tonnes of HCFC-142b used in the solvent sector. Noted that the Government had agreed to establish an estimated baseline of 5.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 4.6 ODP tonnes reported for 2009 and consumption of 6.1 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII)	UNDP		\$60,667	\$4,550	\$65,217	
Total for Georgia			\$260,667	\$19,550	\$280,217	
GHANA						
DESTRUCTION						
Demonstration						
Pilot demonstration project on ODS waste management and disposal	UNDP	8.8	\$198,000	\$17,820	\$215,820	22.50
<i>Approved on the condition that no funds would be disbursed until confirmation of approval of the Energy Efficiency project funded by the Global Environment Facility had been received by the Secretariat, and on the understanding that no further funds would be available for Ghana for any ODS disposal projects in the future.</i>						
Total for Ghana		8.8	\$198,000	\$17,820	\$215,820	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GUINEA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII)	UNEP		\$60,000	\$0	\$60,000	
	Total for Guinea		\$60,000		\$60,000	
GUYANA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNDP		\$48,000	\$4,320	\$52,320	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 1.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 0.9 ODP tonnes reported for 2009 and consumption of 1.0 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$11,000	\$1,430	\$12,430	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 1.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 0.9 ODP tonnes reported for 2009 and consumption of 1.0 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
	Total for Guyana		\$59,000	\$5,750	\$64,750	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HONDURAS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$75,000	\$9,750	\$84,750	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 19.9 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 17.8 ODP tonnes reported for 2009 and consumption of 22.00 ODP tonnes estimated for 2010, plus 0.8 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 20.7 ODP tonnes. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
HCFC phase-out management plan (stage I, first tranche)	UNIDO		\$100,000	\$7,500	\$107,500	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 19.9 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 17.8 ODP tonnes reported for 2009 and consumption of 22.00 ODP tonnes estimated for 2010, plus 0.8 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 20.7 ODP tonnes. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Honduras			\$175,000	\$17,250	\$192,250	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
IRAN						
FOAM						
Sectoral phase out plan						
HCFC phase-out management plan (stage I, first tranche) (Foam sector plan: one foam systems house)	UNDP		\$225,500	\$16,913	\$242,413	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly.</i>						
HCFC phase-out management plan (stage I, first tranche) (Foam sector plan)	UNIDO	18.6	\$1,300,000	\$97,500	\$1,397,500	7.70
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly. UNIDO and the Government were requested to deduct 38.3 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i>						
HCFC phase-out management plan (stage I, first tranche) (Foam sector plan)	Germany	20.1	\$1,962,400	\$222,664	\$2,185,064	7.78
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly. Germany and the Government were requested to deduct 27.4 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
REFRIGERATION						
Sectoral phase out plan						
HCFC phase-out management plan (stage I, first tranche) (Refrigeration servicing sector)	Germany		\$100,600	\$11,415	\$112,015	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly. Germany and the Government were requested to deduct 12.9 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>						
HCFC phase-out management plan (stage I, first tranche) (Refrigeration servicing sector)	UNEP	3.2	\$262,000	\$34,060	\$296,060	4.50
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly. UNEP and the Government were requested to deduct 3.24 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>						
HCFC phase-out management plan (stage I, first tranche) (Air conditioning sector plan)	UNDP	18.4	\$1,938,500	\$145,387	\$2,083,887	8.61
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly. UNDP and the Government were requested to deduct 25.3 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (Project management unit)	UNDP		\$78,000	\$5,850	\$83,850	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 355.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 312.4 ODP tonnes reported for 2009 and consumption of 399.0 ODP tonnes estimated for 2010; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption accordingly.</i>						
Total for Iran		60.3	\$5,867,000	\$533,789	\$6,400,789	
IRAQ						
PHASE-OUT PLAN						
ODS phase out plan						
National phase-out plan (second tranche)	UNIDO		\$303,000	\$22,725	\$325,725	
<i>Approved on the understanding that only 50 per cent of the funds for each agency would be disbursed until the Secretariat had notified UNEP that it had received satisfactory verification of the 2010 consumption. UNEP was requested to provide a verification of the 2010 consumption based on trade and similar quality information, not later than 30 September 2011. The Government was requested, with the assistance of UNEP and UNIDO, to submit a progress report on the implementation of the work programme associated with the second and final tranche of the NPP no later than the 67th Meeting.</i>						
National phase-out plan (second tranche)	UNEP		\$505,000	\$65,650	\$570,650	
<i>Approved on the understanding that only 50 per cent of the funds for each agency would be disbursed until the Secretariat had notified UNEP that it had received satisfactory verification of the 2010 consumption. UNEP was requested to provide a verification of the 2010 consumption based on trade and similar quality information, not later than 30 September 2011. The Government was requested, with the assistance of UNEP and UNIDO, to submit a progress report on the implementation of the work programme associated with the second and final tranche of the NPP no later than the 67th Meeting.</i>						
Total for Iraq			\$808,000	\$88,375	\$896,375	
JORDAN						
REFRIGERATION						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (refrigeration air-conditioning sector)	IBRD		\$30,000	\$2,250	\$32,250	
Total for Jordan			\$30,000	\$2,250	\$32,250	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
KIRIBATI						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$53,250	\$6,923	\$60,173	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 1.44 metric tonnes, calculated using actual consumption reported in 2009 (0.68mt) and estimated consumption for 2010 (2.19mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Kiribati			\$53,250	\$6,923	\$60,173	
KUWAIT						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (polyurethane foam component)	UNIDO		\$60,000	\$4,500	\$64,500	
Total for Kuwait			\$60,000	\$4,500	\$64,500	
KYRGYZSTAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$31,680	\$4,118	\$35,798	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 4.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 4.4 ODP tonnes reported for 2009 and consumption of 4.4 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 4.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 4.4 ODP tonnes reported for 2009 and consumption of 4.4 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNDP		\$47,520	\$4,277	\$51,797	
Total for Kyrgyzstan			\$79,200	\$8,395	\$87,595	
LAO, PDR						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 1.8 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.2 ODP tonnes reported for 2009 and consumption of 2.33 ODP tonnes estimated for 2010, plus 3.2 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 5.0 ODP tonnes. The country was allowed to submit the foam sector plan for phasing out HCFC-141b consumption contained in pre-blended polyols in 2015. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNEP	0.2	\$113,625	\$14,771	\$128,396	
Total for Lao, PDR			0.2	\$113,625	\$14,771	\$128,396

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
LIBERIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	Germany	0.6	\$157,500	\$20,475	\$177,975	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 5.5 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 5.0 ODP tonnes reported for 2009 and consumption of 6.0 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IV)	UNEP		\$85,213	\$0	\$85,213	
Total for Liberia		0.6	\$242,713	\$20,475	\$263,188	
LIBYA						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (polyurethane foam component)	UNIDO		\$60,000	\$4,500	\$64,500	
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of a HCFC phase-out management plan (additional funding)	UNIDO		\$65,000	\$4,875	\$69,875	
Total for Libya			\$125,000	\$9,375	\$134,375	
MACEDONIA, FYR						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (advance funding for the institutional strengthening)	UNIDO		\$26,000	\$1,950	\$27,950	
<i>Approved on an exceptional basis advance funding for the purpose of institutional strengthening in the HCFC phase-out management plan (HPMP), to be deducted from the funding for the second tranche of the HPMP.</i>						
Total for Macedonia, FYR			\$26,000	\$1,950	\$27,950	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MALI						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$65,000	\$8,450	\$73,450	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 15.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 14.4 ODP tonnes reported for 2009 and consumption of 15.5 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
HCFC phase-out management plan (stage I, first tranche)	UNDP	0.8	\$160,000	\$12,000	\$172,000	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 15.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 14.4 ODP tonnes reported for 2009 and consumption of 15.5 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VI)	UNEP		\$60,677	\$0	\$60,677	
Total for Mali		0.8	\$285,677	\$20,450	\$306,127	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MARSHALL ISLANDS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$54,000	\$7,020	\$61,020	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 3.99 metric tonnes, calculated using actual consumption reported in 2009 (3.48mt) and estimated consumption for 2010 (4.5mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Marshall Islands			\$54,000	\$7,020	\$61,020	
MAURITIUS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (first tranche)	Germany		\$157,050	\$18,846	\$175,896	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that this would be the total funding available from the Multilateral Fund to achieve the complete phase-out of HCFCs by 1 January 2030. Noted that the Government had agreed to establish an estimated baseline of 10.2 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using consumption of 9.7 ODP tonnes for 2009 which excluded 1.0 ODP tonne in stockpiles and consumption of 10.6 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Mauritius			\$157,050	\$18,846	\$175,896	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MEXICO						
AEROSOL						
Filling plant						
Phase-out of HCFC-22 and HCFC-141b in aerosol manufacturing at Silimex	UNIDO	11.1	\$520,916	\$39,069	\$559,985	3.80
<p><i>Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption 1,214.80 ODP tonnes reported for 2008, which were the latest data available when the project for the conversion from HCFC 141b and HCFC-22 in the manufacture of polyurethane rigid insulation foam for domestic refrigerators at Mabe Mexico had been approved at the 59th meeting. UNIDO and the Government were requested to reduce the remaining eligible consumption for Mexico by 60.48 metric tonnes (3.30 ODP tonnes) of HCFC-22 and 70.24 metric tonnes (7.73 ODP tonnes) of HCFC-141b.</i></p>						
DESTRUCTION						
Demonstration						
Demonstration project for disposal of unwanted ODS	France	54.7	\$500,000	\$65,000	\$565,000	9.14
<p><i>Approved on the understanding that no further funds would be available for Mexico for any ODS disposal projects in the future; and that any marketing of greenhouse gas (GHG) emission reductions generated by or associated with the project would be subject to a decision by the Executive Committee. A monitoring system should be established for the operation and the activities associated with the ODS disposal demonstration project and to report thereon to the Executive Committee at the completion of the project in 2014, ensuring that that no marketing of GHG emission reductions had taken place.</i></p>						
Demonstration project for disposal of unwanted ODS	UNIDO	112.0	\$927,915	\$69,594	\$997,509	9.14
<p><i>Approved on the understanding that no further funds would be available for Mexico for any ODS disposal projects in the future; and that any marketing of greenhouse gas (GHG) emission reductions generated by or associated with the project would be subject to a decision by the Executive Committee. A monitoring system should be established for the operation and the activities associated with the ODS disposal demonstration project and to report thereon to the Executive Committee at the completion of the project in 2014, ensuring that that no marketing of GHG emission reductions had taken place.</i></p>						
Total for Mexico		177.7	\$1,948,831	\$173,663	\$2,122,494	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MICRONESIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$53,875	\$7,004	\$60,879	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 2.32 metric tonnes, calculated using actual consumption reported in 2009 (1.64mt) and estimated consumption for 2010 (3.0mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Micronesia			\$53,875	\$7,004	\$60,879	
MOLDOVA, REP						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNDP	0.2	\$79,200	\$7,128	\$86,328	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 2.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.2 ODP tonnes reported for 2009 and consumption of 3.4 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Moldova, Rep			0.2	\$79,200	\$7,128	\$86,328

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MONGOLIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$65,000	\$8,450	\$73,450	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that US \$210,000 were for the servicing sector and to reach the 35 per cent reduction of HCFC in 2020, in line with decision 60/44; and that US\$156,000 were for the investment project for the phase-out of 9.9 metric tonnes (0.54 ODP tonnes) of HCFC-22 used in XPS foams. Noted that the Government had agreed to establish an estimated baseline of 1.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.2 ODP tonnes reported for 2009 and consumption of 1.5 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>						
HCFC phase-out management plan (stage I, first tranche)	Japan	0.5	\$130,000	\$16,900	\$146,900	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that US \$210,000 were for the servicing sector and to reach the 35 per cent reduction of HCFC in 2020, in line with decision 60/44; and that US\$156,000 were for the investment project for the phase-out of 9.9 metric tonnes (0.54 ODP tonnes) of HCFC-22 used in XPS foams. Noted that the Government had agreed to establish an estimated baseline of 1.3 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.2 ODP tonnes reported for 2009 and consumption of 1.5 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>						
Total for Mongolia		0.5	\$195,000	\$25,350	\$220,350	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MONTENEGRO						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNIDO		\$155,000	\$11,625	\$166,625	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the amount included funds for institutional strengthening at the level of US \$240,000 for eight years starting July 2012; and that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the level of consumption of 0.9 ODP tonnes reported for 2009. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Montenegro			\$155,000	\$11,625	\$166,625	
NAMIBIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (first tranche)	Germany	0.9	\$300,000	\$36,333	\$336,333	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025; and that the country could submit the request for the final tranche, presently foreseen for 2025, in 2020 if HCFC consumption had been completely phased out at that time. Noted that the Government had agreed to establish an estimated baseline of 6.1 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 6.0 ODP tonnes reported for 2009 and consumption of 6.3 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Namibia			0.9	\$300,000	\$36,333	\$336,333

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
NAURU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$45,625	\$5,931	\$51,556	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 0.3 metric tonnes, calculated using actual consumption reported in 2009 (0.1mt) and estimated consumption for 2010 (0.5mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Nauru			\$45,625	\$5,931	\$51,556	
NIUE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$45,625	\$5,931	\$51,556	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 0.15 metric tonnes, calculated using actual consumption reported in 2009 (0mt) and estimated consumption for 2010 (0.3mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Niue			\$45,625	\$5,931	\$51,556	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PALAU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$62,375	\$8,109	\$70,484	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 2.96 metric tonnes, calculated using actual consumption reported in 2009 (2.04mt) and estimated consumption for 2010 (3.88mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
	Total for Palau		\$62,375	\$8,109	\$70,484	
PAPUA NEW GUINEA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (first tranche)	Germany	0.2	\$350,000	\$41,300	\$391,300	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that \$450,000 was for institutional strengthening and that there would be no more funding eligibility for HCFC phase-out in the country after 2025. Noted that the Government had agreed to establish an estimated baseline of 3.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 3.2 ODP tonnes reported for 2009 and consumption of 3.7 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
	Total for Papua New Guinea	0.2	\$350,000	\$41,300	\$391,300	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PARAGUAY						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 18.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 15.1 ODP tonnes reported for 2009 and consumption of 20.8 ODP tonnes estimated for 2010, plus 1.4 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 19.4 ODP tonnes. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>	UNDP	0.9	\$168,500	\$12,638	\$181,138	
HCFC phase-out management plan (stage I, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 18.0 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 15.1 ODP tonnes reported for 2009 and consumption of 20.8 ODP tonnes estimated for 2010, plus 1.4 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 19.4 ODP tonnes. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>	UNEP	0.9	\$146,500	\$19,045	\$165,545	
Total for Paraguay		1.8	\$315,000	\$31,683	\$346,683	
SAMOA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 3.88 metric tonnes, calculated using actual consumption reported in 2009 (3.5mt) and estimated consumption for 2010 (4.26mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>	UNEP		\$76,250	\$9,913	\$86,163	
Total for Samoa			\$76,250	\$9,913	\$86,163	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SAO TOME AND PRINCIPE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$44,000	\$5,720	\$49,720	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 0.2 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using consumption of 0.1 ODP tonnes reported for 2009 under the HPMP and consumption of 0.2 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase III)	UNEP		\$60,666	\$0	\$60,666	
Total for Sao Tome and Principe			\$104,666	\$5,720	\$110,386	
SEYCHELLES						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (first tranche)	Germany	0.4	\$200,000	\$25,333	\$225,333	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that there would be no more funding eligibility for HCFC phase-out in the country after 2025; and that the country could submit the request for the final tranche, presently foreseen for 2025, in 2020 if HCFC consumption had been completely phased out at that time. Noted that the Government had agreed to establish an estimated baseline of 1.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 1.4 ODP tonnes reported for 2009 and consumption of 1.3 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V)	UNEP		\$60,000	\$0	\$60,000	
Total for Seychelles			0.4	\$260,000	\$25,333	\$285,333

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SOLOMON ISLANDS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP	0.2	\$110,250	\$14,333	\$124,583	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 34.64 metric tonnes, calculated using actual consumption reported in 2009 (28.28mt) and estimated consumption for 2010 (41.0mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Solomon Islands		0.2	\$110,250	\$14,333	\$124,583	

SWAZILAND

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage I, first tranche)	UNEP		\$75,000	\$9,750	\$84,750	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that US \$210,000 were for the refrigeration servicing sector to reach the 35 per cent reduction by 2020, in line with decision 60/44; and that US \$667,948 were for the investment component for the phase-out of 7.66 ODP tonnes of HCFC-141b used in the foam sector. Noted that the Government had agreed to establish an estimated baseline of 9.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 9.2 ODP tonnes reported for 2009 and consumption of 9.6 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that US \$210,000 were for the refrigeration servicing sector to reach the 35 per cent reduction by 2020, in line with decision 60/44; and that US \$667,948 were for the investment component for the phase-out of 7.66 ODP tonnes of HCFC-141b used in the foam sector. Noted that the Government had agreed to establish an estimated baseline of 9.4 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 9.2 ODP tonnes reported for 2009 and consumption of 9.6 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNDP	7.7	\$667,948	\$50,096	\$718,044	9.79
Total for Swaziland			7.7	\$742,948	\$59,846	\$802,794

TIMOR LESTE

PHASE-OUT PLAN

HCFC phase out plan

<p>HCFC and CFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that the tranche planned for 2013 would not be disbursed until the licensing system or a government notification procedure with legally binding provisions for controlling the import of HCFCs and HCFC-based equipment had been confirmed to be in place. Noted that the Government had agreed to establish an estimated baseline of 0.5 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 0.5 ODP tonnes reported for 2009 and consumption of 0.5 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>	UNEP		\$93,500	\$12,155	\$105,655	
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List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
CFC and HCFC phase-out management plan (stage I, first tranche)	UNDP		\$96,120	\$8,651	\$104,771	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee, on the understanding that the tranche planned for 2013 would not be disbursed until the licensing system or a government notification procedure with legally binding provisions for controlling the import of HCFCs and HCFC-based equipment had been confirmed to be in place. Noted that the Government had agreed to establish an estimated baseline of 0.5 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 0.5 ODP tonnes reported for 2009 and consumption of 0.5 ODP tonnes estimated for 2010. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>						
Total for Timor Leste			\$189,620	\$20,806	\$210,426	
TONGA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$64,750	\$8,418	\$73,168	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 1.34 metric tonnes, calculated using actual consumption reported in 2009 (0.01mt) and estimated consumption for 2010 (2.67mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i></p>						
Total for Tonga			\$64,750	\$8,418	\$73,168	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
TUVALU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$47,875	\$6,224	\$54,099	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 1.61 metric tonnes, calculated using actual consumption reported in 2009 (1.59mt) and estimated consumption for 2010 (1.62mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
	Total for Tuvalu		\$47,875	\$6,224	\$54,099	
VANUATU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$76,250	\$9,913	\$86,163	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the estimated baseline of 5.28 metric tonnes, calculated using actual consumption reported in 2009 (1.46mt) and estimated consumption for 2010 (9.1mt). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
	Total for Vanuatu		\$76,250	\$9,913	\$86,163	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
VENEZUELA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNIDO		\$654,854	\$49,114	\$703,968	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 220.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 216.2 ODP tonnes reported for 2009 and consumption of 225.2 ODP tonnes estimated for 2010, plus 1.91 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 222.6 ODP tonnes. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption. UNIDO, UNEP and the Government were requested to deduct 23.16 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. UNIDO was further requested to submit the fourth (2015) tranche with a verification of the 2013 consumption which would include, inter alia, comparisons between data from the National Ozone Unit and from the customs authority as well as other input by the customs authority, as necessary.</i></p>						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$50,646	\$6,584	\$57,230	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 220.7 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 216.2 ODP tonnes reported for 2009 and consumption of 225.2 ODP tonnes estimated for 2010, plus 1.91 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 222.6 ODP tonnes. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption. UNIDO, UNEP and the Government were requested to deduct 23.16 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>						
Total for Venezuela			\$705,500	\$55,698	\$761,198	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
VIETNAM						
FOAM						
Sectoral phase out plan						
HCFC phase-out management plan (stage I, first tranche) (Foam sector plan)	IBRD	44.7	\$2,832,518	\$212,439	\$3,044,957	6.96
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 221.2 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 207.5 ODP tonnes reported for 2009 and consumption of 234.9 ODP tonnes estimated for 2010, plus the average consumption of pre-blended polyol in the years 2007 to 2009 of 164.6 ODP tonnes, giving a total of 385.8 ODP tonnes; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption. The World Bank and the Government were requested to deduct 140.1 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (Technical assistance and project management)	IBRD		\$221,905	\$16,643	\$238,548	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that the Government had agreed to establish an estimated baseline of 221.2 ODP tonnes as its starting point for sustained aggregate reduction in HCFC consumption, calculated using actual consumption of 207.5 ODP tonnes reported for 2009 and consumption of 234.9 ODP tonnes estimated for 2010, plus the average consumption of pre-blended polyol in the years 2007 to 2009 of 164.6 ODP tonnes, giving a total of 385.8 ODP tonnes; and that the amount of HCFC consumption to be phased out in the Agreement should assist the country to make progress in meeting control measures beyond 2015 accordingly. The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption.</i></p>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII)	UNEP		\$118,976	\$0	\$118,976	
Total for Vietnam		44.7	\$3,173,399	\$229,082	\$3,402,481	

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
YEMEN						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (rigid polyurethane foam component)	UNIDO		\$60,000	\$4,500	\$64,500	
Total for Yemen			\$60,000	\$4,500	\$64,500	
ZIMBABWE						
FOAM						
Preparation of project proposal						
Preparation for HCFC phase-out investment activities (foam sector)	Germany		\$30,000	\$3,900	\$33,900	
Total for Zimbabwe			\$30,000	\$3,900	\$33,900	
REGION: ASP						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan for PIC countries through regional approach (stage I, first tranche)	UNEP		\$134,000	\$17,420	\$151,420	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee. Noted that each of the Governments of the PICs had agreed to establish individual estimated baselines as their starting points for sustained aggregate reduction in HCFC consumption calculated using actual consumption reported in 2009 and estimated consumption for 2010, with a total of aggregate baseline of 3.25 ODP tonnes (59.11 metric tonnes). The Secretariat was requested, once the baseline data were known, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted.</i>						
Total for Region: ASP			\$134,000	\$17,420	\$151,420	

List of projects and activities approved for funding

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Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GLOBAL						
SEVERAL						
Technical assistance/support						
Resource mobilization to address climate co-benefits for HCFC phase-out in low-volume-consuming countries with servicing sector only, in cooperation with other agencies <i>Approved on the condition that an interim report would be provided at the 66th meeting, which would include an update on the activities so far undertaken and address the following elements: (i) additionality of the projects proposed; (ii) transparency and good governance, as well as covering the cash flow; (iii) assurance that these projects would avoid perverse incentives for countries; (iv) exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund; (v) ensuring sustainability of the projects proposed; (vi) avoidance of duplication of similar projects; (vii) information on transaction costs. UNEP was requested to ensure that the regional workshops were held in the context of the network meetings under UNEP's Compliance Assistance Programme so as to ensure cost effectiveness, and that the timing of the workshops would be such to allow the experiences of other agencies' resource mobilization activities to be incorporated. Noted that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project. UNEP was also requested to provide a final report for consideration by the Executive Committee at its 69th meeting.</i>	UNEP		\$100,000	\$13,000	\$113,000	
Resource mobilization to maximize climate co-benefits <i>Approved on the conditions that: (i) UNDP inform the Executive Committee of the four proposals specified above no later than the 67th meeting, noting that this would be submitted for information only and that these proposals would not be funded under the Multilateral Fund; (ii) an interim report would be provided at the 66th meeting, which would include an update on the activities so far undertaken and address the following elements: a. additionality of the projects proposed; b. transparency and good governance, as well as covering the cash flow; c. assurance that these projects would avoid perverse incentives for countries; d. exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund; e. ensuring sustainability of the projects proposed; f. avoidance of duplication of similar projects; g. information on transaction costs. Noted that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project. UNDP was requested to provide a final report for consideration by the Executive Committee at its 69th meeting.</i>	UNDP		\$200,000	\$18,000	\$218,000	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/63/60
Annex X

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Resource mobilization for HCFC phase-out co-benefits study <i>Approved on the condition that an interim report would be provided at the 66th meeting, which would include an update on the activities so far undertaken and address the following elements: (i) additionality of the projects proposed; (ii) transparency and good governance, as well as covering the cash flow; (iii) assurance that these projects would avoid perverse incentives for countries; (iv) exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund; (v) ensuring sustainability of the projects proposed; (vi) avoidance of duplication of similar projects; (vii) information on transaction costs. Noted that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project. The World Bank was requested to provide a final report on the study for consideration by the Executive Committee at its 69th meeting.</i>	IBRD		\$180,000	\$16,200	\$196,200	
Mobilizing co-financing for Multilateral Fund funded projects based on the "Monetization" of their climate benefits <i>Approved on the conditions that: (i) UNIDO inform the Executive Committee of the two proposals specified above no later than the 67th meeting, noting that this would be submitted for information only and that the two proposals would not be funded under the Multilateral Fund; (ii) an interim report would be provided to the 66th meeting, which would include an update on the activities so far undertaken and address the following elements: a. additionality of the projects proposed; b. transparency and good governance, as well as covering the cash flow; c. assurance that these projects would avoid perverse incentives for countries; d. exploring possibilities of profit-sharing, including return of funds to the Multilateral Fund; e. ensuring sustainability of the projects proposed; f. avoidance of duplication of similar projects; g. information on transaction costs. Noted that the funds approved would be taken from the budget reserved for unspecified projects that had been set aside from the funds returned from the Thai chiller project. UNIDO was requested to provide a final report for consideration by the Executive Committee at its 69th meeting.</i>	UNIDO		\$200,000	\$18,000	\$218,000	
	Total for Global		\$680,000	\$65,200	\$745,200	
	GRAND TOTAL	317.0	\$20,856,911	\$1,885,256	\$22,742,167	

Summary

UNEP/OzL.Pro/ExCom/63/60
Annex X

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Foam	20.1	\$1,992,400	\$226,564	\$2,218,964
Refrigeration		\$100,600	\$11,415	\$112,015
Phase-out plan	2.6	\$1,379,550	\$170,237	\$1,549,787
Destruction	54.7	\$500,000	\$65,000	\$565,000
TOTAL:	77.4	\$3,972,550	\$473,216	\$4,445,766
INVESTMENT PROJECT				
Aerosol	11.1	\$520,916	\$39,069	\$559,985
Foam	63.3	\$4,358,018	\$326,852	\$4,684,870
Refrigeration	21.6	\$2,200,500	\$179,447	\$2,379,947
Phase-out plan	22.9	\$6,734,156	\$669,267	\$7,403,423
Destruction	120.8	\$1,125,915	\$87,414	\$1,213,329
TOTAL:	239.6	\$14,939,505	\$1,302,049	\$16,241,554
WORK PROGRAMME AMENDMENT				
Foam		\$210,000	\$15,750	\$225,750
Fumigant		\$45,000	\$3,375	\$48,375
Refrigeration		\$30,000	\$2,250	\$32,250
Phase-out plan		\$65,000	\$4,875	\$69,875
Several		\$1,594,856	\$83,741	\$1,678,597
TOTAL:		\$1,944,856	\$109,991	\$2,054,847
Summary by Parties and Implementing Agencies				
France	54.7	\$500,000	\$65,000	\$565,000
Germany	22.2	\$3,342,550	\$391,316	\$3,733,866
Japan	0.5	\$130,000	\$16,900	\$146,900
IBRD	44.7	\$3,264,423	\$247,532	\$3,511,955
UNDP	42.5	\$4,990,071	\$386,838	\$5,376,909
UNEP	6.6	\$3,847,182	\$413,343	\$4,260,525
UNIDO	145.8	\$4,782,685	\$364,327	\$5,147,012
GRAND TOTAL	317.0	\$20,856,911	\$1,885,256	\$22,742,167

**ADJUSTMENTS ARISING FROM THE 63RD MEETING OF THE EXECUTIVE COMMITTEE FOR
BALANCES ON PROJECTS AND ACTIVITIES**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Finland (per decision 63/2(a)(vi))*	52,712	0	52,712
UNDP (per decision 63/2(a)(ii)&(iii))	67,890	8,707	76,597
UNEP (per decision 63/2(a)(ii)&(iii))	39,140	3,591	42,731
UNIDO (per decision 63/2(a)(ii)&(iii))	40,357	3,372	43,729
Total	200,099	15,670	215,769

*Cash transfer per decision 63/2(b).

**ADJUSTMENTS ARISING FROM THE 63RD MEETING OF THE EXECUTIVE COMMITTEE FOR
TRANSFERRED PROJECTS**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Canada (per decision 63/2(a)(vi)&(d))*	-500,000	-58,527	-558,527
France (per decision 63/2(a)(vi)&(c))*	-397,500	0	-397,500
UNIDO (per Decision 63/2(c)&(d))	897,500	67,313	964,813

*Cash transfer per decision 63/2(b).

**NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS BASED
ON DECISIONS OF THE 63RD MEETING OF THE EXECUTIVE COMMITTEE**

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
France(1)	500,000	65,000	565,000
Germany(2)	3,342,550	391,316	3,733,866
Japan (1)	130,000	16,900	146,900
UNDP	4,922,181	378,131	5,300,312
UNEP	3,808,042	409,752	4,217,794
UNIDO	5,639,828	428,268	6,068,096
World Bank	3,264,423	247,532	3,511,955
Total	21,607,024	1,936,899	23,543,923

(1) Total amount to be assigned to 2011 bilateral contributions.

(2) US \$2,776,808 to be assigned to 2011 and US \$957,058 to be assigned to 2010 bilateral contributions.

Annex XI

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 63rd MEETING

Angola

1. The Executive Committee reviewed the report presented with the institutional strengthening project renewal for Angola and noted with appreciation that the country had reported its 2009 Article 7 data and country programme implementation data to the Ozone Secretariat and Fund Secretariat, respectively, indicating that Angola's CFC consumption is below 15 per cent of its baseline. Nevertheless the Executive Committee noted that the country is at risk of non-compliance with the 2010 control measure for the total phase-out of CFCs and halons and hopes the Government of Angola will take necessary measures to prevent any new uses of CFCs and halons. The Executive Committee expressed the expectation that, in the next two years, Angola will succeed in the implementation of ODS phase-out activities including the activities to meet the 2013 and 2015 control measures for HCFCs.

Chile

2. The Executive Committee reviewed the terminal report presented with the institutional strengthening project renewal request for Chile and noted with appreciation the achievements made by Chile's National Ozone Unit during the implementation of the eighth phase. In particular the Executive Committee noted the progress made by Chile towards the successful application of the licensing system and the implementation of projects such as the CFC terminal phase-out plan, the solvents sector project and the preparation of the HCFC phase-out management plan. The Executive Committee commends the Government of Chile for its achievements during the previous phase of the institutional strengthening project and expresses the expectation that, in the next two years, Chile will continue the implementation of its planned activities with outstanding progress, and will sustain and build upon its current levels of reductions in ODS.

Croatia

3. The Executive Committee reviewed the report presented with the institutional strengthening project extension for Croatia and noted with appreciation that Croatia reported its 2009 Article 7 data to the Ozone Secretariat indicating that Croatia is on track to meet the 2010 Montreal Protocol control measures. The Executive Committee expressed the expectation that, with the start of the implementation of the HCFC phase-out management plan, Croatia will succeed in achieving the total phase-out of HCFCs by 1 January 2016, 24 years ahead of the Montreal Protocol phase-out schedule.

Georgia

4. The Executive Committee reviewed terminal report presented with the institutional strengthening project renewal request for Georgia and noted with appreciation that Georgia reported data to the Ozone Secretariat indicating that Georgia is on track to meet the 2010 Montreal Protocol control measures. The Executive Committee is therefore optimistic that, in the next two years, Georgia will start the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze and reduce the consumption of HCFCs in 2013 and 2015, respectively.

Guinea

5. The Executive Committee reviewed the report presented with the institutional strengthening project renewal for Guinea and noted that the country reported its 2009 Article 7 data to the Ozone Secretariat and is in compliance with the 100 per cent phase-out target of the Montreal Protocol. The Executive Committee expressed the expectation that, in the next two years, Guinea will remain in compliance and will continue with the implementation of its country programme activities and start implementing activities to control HCFCs and HCFC-based equipment.

Liberia

6. The Executive Committee reviewed the report presented with the institutional strengthening project renewal for Liberia and noted with appreciation that the country reported its 2009 Article 7 data to the Ozone Secretariat indicating that Liberia has achieved total phase out of CFCs and halons in advance of the 2010 Montreal Protocol control measure for the complete phase-out of CFCs and halons. The Executive Committee expressed the expectation that, in the next two years, Liberia will continue with the implementation of its ODS phase-out activities with outstanding success including the activities to meet the 2013 and 2015 control measures for HCFCs.

Mali

7. The Executive Committee reviewed the report presented with the institutional strengthening project renewal for Mali and noted with appreciation that the country reported its 2009 Article 7 data to the Ozone Secretariat indicating that Mali has achieved total phase-out of CFCs and halons consumption in advance of the 2010 Montreal Protocol control measure for the complete phase-out of CFCs and halons. The Executive Committee expressed the expectation that, in the next two years, Mali will continue with the implementation of its ODS phase-out activities with outstanding success including the activities to meet the 2013 and 2015 control measures for HCFCs.

Sao Tome and Principe

8. The Executive Committee reviewed the report presented with the institutional strengthening project renewal and noted with appreciation that Sao Tome and Principe reported its 2009 Article 7 data to the Ozone Secretariat indicating that the country has achieved total phase-out of CFCs and halons consumption in advance of the 2010 Montreal Protocol control measure for the complete phase-out of CFCs and halons. The Executive Committee expressed the expectation that, in the next two years, Sao Tome and Principe will continue implementing its country programme activities including the activities to meet the 2013 and 2015 control measures for HCFCs.

Seychelles

9. The Executive Committee reviewed the report presented with the institutional strengthening project renewal and noted with appreciation that Seychelles reported its 2009 Article 7 data to the Ozone Secretariat indicating that the country has achieved the total phase-out of CFCs and halons consumption in advance of the 2010 in compliance with the phase-out schedule of the Montreal Protocol. The Executive Committee expressed the expectation that, in the next two years, Seychelles will maintain compliance with the CFC control measures and start implementing activities to control HCFCs and HCFC-based equipment.

Viet Nam

10. The Executive Committee reviewed the report of the institutional strengthening project extension for Viet Nam and noted with appreciation that Viet Nam reported its 2009 Article 7 data to the Ozone Secretariat indicating that Viet Nam is on track to meet the 2010 compliance targets. The Executive Committee expressed its expectations that, in the next two years, Viet Nam will start the implementation of its HCFC phase-out management plan with outstanding success in order to meet the initial targets to freeze and reduce the consumption of HCFCs in 2013 and 2015, respectively.

Annex XII

AGREEMENT BETWEEN THE GOVERNMENT OF BENIN 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 Benin (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 15.35 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	23.6

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	23.7	23.7	21.2	21.2	21.2	21.2	21.2	15.4	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	23.6	23.6	21.24	21.24	21.24	21.24	21.24	15.35	n/a	
2.1	Lead IA (UNEP) agreed funding (US \$)	85,000		85,000			75,000		65,000		60,000	370,000	
2.2	Support costs for Lead IA (US \$)	11,050		11,050			9,750		8,450		7,800	48,100	
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	100,000		40,000			50,000		35,000		35,000	260,000	
2.4	Support costs for Cooperating IA (US \$)	7,500		3,000			3,750		2,625		2,625	19,500	
3.1	Total agreed funding (US \$)	185,000		125,000			125,000		100,000		95,000	630,000	
3.2	Total support costs (US \$)	18,550		14,050			13,500		11,075		10,425	67,600	
3.3	Total agreed costs (US \$)	203,550		139,050			138,500		111,075		105,425	697,600	
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)												8.25
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)												0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												15.35

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The National Ozone Unit (NOU) will submit annual progress reports of status of implementation of the HPMP to UNEP.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent local company or to independent local consultants by UNEP.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (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 IA, 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 each implementing or bilateral agency involved;
 - (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 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 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 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 \$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.

Annex XIII

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE CONGO 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 the Republic of the Congo (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 6.59 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	10.14

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	10.1	10.1	9.1	9.1	9.1	9.1	9.1	6.6	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	10.14	10.14	9.13	9.13	9.13	9.13	9.13	6.59	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	45,000		30,000			40,000		25,000		35,000	175,000
2.2	Support costs for Lead IA (US \$)	5,850		3,900			5,200		3,250		4,550	22,750
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	100,000					75,000					175,000
2.4	Support costs for Cooperating IA (US \$)	9,000					6,750					15,750
3.1	Total agreed funding (US \$)	145,000		30,000			115,000		25,000		35,000	350,000
3.2	Total support costs (US \$)	14,850		3,900			11,950		3,250		4,550	38,500
3.3	Total agreed costs (US \$)	159,850		33,900			126,950		28,250		39,550	388,500
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)											3.55
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											6.59

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The National Ozone Unit (NOU) will submit annual progress reports of status of implementation of the HPMP to UNEP.

2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent local company or to independent local consultants by UNEP.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XIV

AGREEMENT BETWEEN THE GOVERNMENT OF GEORGIA 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 Georgia (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 3.00 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	4.61
HCFC-142b	C	I	0.72

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	5.3	5.3	4.8	4.8	4.8	4.8	4.8	3.5	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	5.33	5.33	4.79	4.14	4.14	4.14	4.14	3.00	n/a
2.1	Lead IA UNDP agreed funding(US \$)	200,000			150,000			119,400			31,500	500,900
2.2	Support costs for Lead IA(US \$)	15,000			11,250			8,955			2,363	37,568
3.1	Total agreed funding (US \$)	200,000	0	0	150,000	0	0	119,400	0	0	31,500	500,900
3.2	Total support cost (US \$)	15,000	0	0	11,250	0	0	8,955	0	0	2,363	37,568
3.3	Total agreed costs (US \$)	215,000	0	0	161,250	0	0	128,355	0	0	33,863	538,468
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											1.61
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)											3.00
4.2.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)											0.72
4.2.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)											0
4.2.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)											0

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. In Georgia, the HPMP will be implemented by the Ministry of Environment Protection and Natural Resources and project implementation team composed of UNDP individual service contractors.
2. The Ministry of Environment Protection and Natural Resources of Georgia as an implementing partner for the project will designate a National Project Director (NPD) who will support the programme or project and will serve as a focal point on the part of the Government. NPD's responsibility normally entails ensuring effective communications between the partners and monitoring of progress towards expected results. The project Executive Board composed of the representatives of the National Ozone Unit (NOU), the Ministry and UNDP as well as a NPD, Project Manager, National Ozone Focal Point and representative of the Georgian Association of Refrigerating, Cryogenic and Air-conditioning Engineers will be established. This Executive Board will have a general oversight function, give guidance to the project and make key decisions for the project. It will meet at least once every three months.
3. The Ministry of Environment Protection and Natural Resources will also ensure the involvement of other related Government stakeholders such as the Customs department to assist with the implementation of specific HPMP components.

4. In order to achieve the targets set out in the HPMP it is essential that monitoring of the implementation of the proposed measures is carried out. The expected monitoring activities will include the following:

- (a) Effective monitoring and evaluation of all components of the HPMP;
- (b) Measuring progress; and
- (c) Identifying project problems.

The NOU will be responsible for the overall monitoring of HPMP programme.

5. The project will undergo periodic audits by a certified auditor according to UNDP rules and regulations.

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;
- (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) 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 each implementing or bilateral agency involved;

- (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 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.

Annex XV

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF GUYANA 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 the Republic of Guyana (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 0.87 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.97

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes) *	n/a	n/a	1.0	1.0	0.9	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	0.97	0.97	0.87	n/a
2.1	Lead IA UNEP agreed funding (US \$)	11,000			7,000		18,000
2.2	Support costs for Lead IA (US \$)	1,430			910		2,340
2.3	Cooperating IA UNDP agreed funding (US \$)	48,000					48,000
2.4	Support costs for Cooperating IA (US \$)	4,320					4,320
3.1	Total agreed funding (US \$)	59,000			7,000		66,000
3.2	Total support cost (US \$)	5,750			910		6,660
3.3	Total agreed costs (US \$)	64,750			7,910		72,660
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						0.1
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						0.87

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. Project execution will commence with the establishment of the Project Monitoring and Reporting Unit within the Ministry of Agriculture to ensure timely project execution and verification of results achieved. The Hydrometeorological Service of the Ministry will have supervisory control of the unit.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XVI

AGREEMENT BETWEEN THE GOVERNMENT OF HONDURAS 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 Honduras (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 12.94 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	18.01
HCFC-141b	C	I	2.69

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011-2012	2013-2014	2015	2016-2017	2018-2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	19.9	17.9	17.9	17.9	12.9	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	19.91	17.92	17.92	17.92	12.94	n/a
2.1	Lead IA UNIDO agreed funding (US \$)	100,000	90,000	0	90,000	60,000	40,000	380,000
2.2	Support costs for Lead IA (US \$)	7,500	6,750	0	6,750	4,500	3,000	28,500
2.3	Cooperating IA UNEP agreed funding (US \$)	75,000	50,000	0	50,000	50,000	25,000	250,000
2.4	Support costs for Cooperating IA (US \$)	9,750	6,500	0	6,500	6,500	3,250	32,500
3.1	Total agreed funding (US \$)	175,000	140,000	0	140,000	110,000	65,000	630,000
3.2	Total support cost (US \$)	17,250	13,250	0	13,250	11,000	6,250	61,000
3.3	Total agreed costs (US \$)	192,250	153,250	0	153,250	121,000	71,250	691,000
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)							6.30
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)							0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							11.71
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)							0.67
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)							0.00
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							2.02

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The Honduras Ozone Technical Unit (UTOH), under the Natural Resources and Environment Secretariat, will coordinate the project implementation including the activities proposed in the HPMP.
2. UTOH as focal point will be responsible for the national coordination of the whole HPMP programme with the assistance of UNIDO as the main implementation agency and UNEP as cooperating implementation agency. The Unit will be responsible for the monitoring of the phase-out implementation plan, of making the follow up of the promulgation, and the enforcement of the policies and legislation. The Unit will support UNIDO and UNEP in the preparation the annual implementation plans and progress reports for the Executive Committee.
3. The Government will create strategic alliances with specialized training institutions to carry out the whole training programme to the sectors involved in the use of the refrigerants to be phased out to all the service providers.

4. The phase-out plan will be managed by a team dedicated to this job that consists of a coordinator that will be designated by the UTOH and have the support of the representatives and experts of the implementation agencies and the necessary support infrastructure. The component of support to the management and update of the legal instruments of the phase-out plan will include the following activities:

- (a) Management and coordination of the implementation of the plan;
- (b) Establishment of a policy development and application programme to allow the Government to exercise the required mandates and ensure the industry fulfilment with the obligations of the ODS consumption reduction;
- (c) Development and implementation of training, awareness and capacity building activities to ensure a high level commitment to the Plan objectives and obligations;
- (d) Preparation of annual implementation plans including the determination of the sequence of participation of the companies in the activities;
- (e) Establishment and operation of a report system on the ODS use /substitutes by the users;
- (f) Report on the progress of the plan implementation for the annual disbursement based on performance; and
- (g) Establishment and operation of the decentralized mechanism to monitor and evaluate the plan results, in association with local environmental regulatory entities to ensure sustainability.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;

- (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XVII

AGREEMENT BETWEEN THE GOVERNMENT OF KYRGYZSTAN 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 Kyrgyzstan (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 3.98 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted tranche implementation reports 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;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	4.42

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	4.4	4.4	4.0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	4.42	4.42	3.98	n/a
2.1	Lead IA UNDP agreed funding (US \$)	47,520	-	-	5,280	-	52,800
2.2	Support costs for Lead IA (US \$)	4,277	-	-	475	-	4,752
2.3	Cooperating IA UNEP agreed funding (US \$)	31,680	-	-	3,520	-	35,200
2.4	Support costs for Cooperating IA (US \$)	4,118	-	-	458	-	4,576
3.1	Total agreed funding (US \$)	79,200	-	-	8,800	-	88,000
3.2	Total support cost (US \$)	8,395	-	-	933	-	9,328
3.3	Total agreed costs (US \$)	87,595	-	-	9,733	-	97,328
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						0.44
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						3.98

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The Kyrgyz Republic has demonstrated experience in the successful implementation of its Country Programme to date. The capacity that has undertaken this within the Government, specifically the National Ozone Centre (NOC), operating under the direction of the Interdepartmental Commission on Ozone Issues will continue to act as the focal point for HPMP project coordination and management. This activity will be directly undertaken by experienced project managers acting under the direction of the Head of the NOC who also acts as the national focal point on Montreal Protocol and various international bodies involved with its implementation globally. The work will be undertaken with a high level of stakeholder consultation both with various government agencies and with external stakeholders and the general public.

2. Implementation will be undertaken under the continued supervision of Interdepartmental Commission on Ozone Issues. It will involve UNDP acting as the lead implementing agency throughout the HPMP and supervising the project's investment component. UNEP will act as a supporting implementing agency for non-investment activities associated with legislation and technical capacity strengthening. These agencies will utilize the established procedures governing procurement, financial management, reporting and monitoring of the relevant implementing agency and international funding facilities, specifically the Multilateral Fund. Implementation will be further supported by various administrative and service bodies within the government, international and national consultants, suppliers of equipment and services, and beneficiary enterprises.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XVIII

AGREEMENT BETWEEN THE GOVERNMENT OF LIBERIA 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 Liberia (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 3.57 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. The Government of Germany 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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, and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	5.5

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013-2014	2015-2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	5.5	5.0	3.6	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	5.50	4.95	3.57	n/a
2.1	Lead IA Germany agreed funding(US \$)	157,500			126,000	31,500	315,000
2.2	Support costs for Lead IA(US \$)	20,475			16,380	4,095	40,950
3.1	Total agreed funding (US \$)	157,500			126,000	31,500	315,000
3.2	Total support cost (US \$)	20,475			16,380	4,095	40,950
3.3	Total agreed costs (US \$)	177,975			142,380	35,595	355,950
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						1.93
4.1.2	Phase-out of to be achieved in previously approved projects (ODP tonnes)						0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						3.57

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. Due to the limited funds available under the HPMP, monitoring will be done by the Country either directly through designated officers of the Ozone unit and when required, consultants might be hired to assist with specific monitoring activities.
2. Monitoring by the Country will be done in cooperation and coordination with the Lead IA. Where guidance will be sought by the Country from the Lead IA on monitoring, determining any gaps, errors and omissions.

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;
- (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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XIX

AGREEMENT BETWEEN THE GOVERNMENT OF MALI 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 Mali (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 9.8 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	15

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	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	13.5	9.8	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	15	15	13.5	13.5	13.5	13.5	13.5	9.8	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	65,000		55,000			80,000		52,000		28,000	280,000
2.2	Support costs for Lead IA (US \$)	8,450		7,150			10,400		6,760		3,640	36,400
2.3	Cooperating IA (UNDP) agreed funding (US \$)	160,000					92,000				28,000	280,000
2.4	Support costs for Cooperating IA (US \$)	12,000					6,900				2,100	21,000
3.1	Total agreed funding (US \$)	225,000		55,000			172,000		52,000		56,000	560,000
3.2	Total support costs (US \$)	20,450		7,150			17,300		6,760		5,740	57,400
3.3	Total agreed costs (US \$)	245,450		62,150			189,300		58,760		61,740	617,400
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)											5.2
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											9.8

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The National Ozone Unit (NOU) will submit annual progress reports of status of implementation of the HPMP to UNEP.

2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent local company or to independent local consultants by UNEP.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XX

AGREEMENT BETWEEN THE GOVERNMENT OF MONTENEGRO 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 Montenegro (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 0.61 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant implementing agency (IA), of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. UNIDO 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.94

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.6	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	0.99	0.99	0.85	0.85	0.85	0.85	0.85	0.61	n/a
2.1	Lead IA UNIDO agreed funding (US \$)	155,000		115,000		69,000		60,000		30,000	21,000	450,000
2.2	Support costs for Lead IA (US \$)	11,625		8,625		5,175		4,500		2,250	1,575	33,750
3.1	Total agreed funding (US \$)	155,000		115,000		69,000		60,000		30,000	21,000	450,000
3.2	Total support cost (US \$)	11,625		8,625		5,175		4,500		2,250	1,575	33,750
3.3	Total agreed costs (US \$)	166,625		123,625		74,175		64,500		32,250	22,575	483,750
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)											0.33
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.61

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The implementation and monitoring of this HPMP will be coordinated by the National Ozone Unit in cooperation with respective governmental bodies and also national experts recruited for particular tasks which would arise in the course of the project implementation.

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;
- (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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XXI

AGREEMENT BETWEEN THE GOVERNMENTS OF THE PACIFIC ISLAND COUNTRIES (THE COOK ISLANDS, KIRIBATI, MARSHALL ISLANDS (THE), THE FEDERATED STATES OF MICRONESIA, NAURU, NIUE, PALAU, SAMOA, SOLOMON ISLANDS, TONGA, TUVALU, VANUATU) AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Governments of the Cook Islands, Kiribati, Marshall Islands (the), the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu (each of them will be referred as “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 aggregate level of 2.11 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

THE PACIFIC ISLAND COUNTRIES - OVERALL FUNDING

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	59.11

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			59.11	59.11	53.20	53.20	53.20	53.20	53.20	38.42	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		66.48	59.11	59.11	53.20	53.20	53.20	53.20	53.20	38.42	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	873,375				636,525					186,100	1,696,000
2.2	Support costs for Lead IA (US \$)	113,539				82,748					24,193	220,480
3.1	Total agreed funding (US \$)	873,375				636,525					186,100	1,696,000
3.2	Total support costs (US \$)	113,539				82,748					24,193	220,480
3.3	Total agreed costs (US \$)	986,914				719,273					210,293	1,916,480
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											20.69
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											38.42

GOVERNMENT OF THE COOK ISLANDS

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.20

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.20	1.20	1.08	1.08	1.08	1.08	1.08	0.78	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	1.60	1.40	1.20	1.20	1.08	1.08	1.08	1.08	1.08	0.78	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	49,250				39,850					9,900	99,000
2.2	Support costs for Lead IA (US \$)	6,403				5,181					1,287	12,870
3.1	Total agreed funding (US \$)	49,250				39,850					9,900	99,000
3.2	Total support costs (US \$)	6,403				5,181					1,287	12,870
3.3	Total agreed costs (US \$)	55,653				45,031					11,187	111,870
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.42
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.78

GOVERNMENT OF KIRIBATI

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.44

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.44	1.44	1.30	1.30	1.30	1.30	1.30	0.94	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	1.93	1.68	1.44	1.44	1.30	1.30	1.30	1.30	1.30	0.94	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	53,250				44,850					10,900	109,000
2.2	Support costs for Lead IA (US \$)	6,923				5,831					1,417	14,170
3.1	Total agreed funding (US \$)	53,250				44,850					10,900	109,000
3.2	Total support costs (US \$)	6,923				5,831					1,417	14,170
3.3	Total agreed costs (US \$)	60,173				50,681					12,317	123,170
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.5
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.94

GOVERNMENT OF MARSHALL ISLANDS (THE)

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	3.99

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			3.99	3.99	3.59	3.59	3.59	3.59	3.59	2.59	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	4.30	3.80	3.99	3.99	3.59	3.59	3.59	3.59	3.59	2.59	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	54,000				47,700					11,300	113,000
2.2	Support costs for Lead IA (US \$)	7,020				6,201					1,469	14,690
3.1	Total agreed funding (US \$)	54,000				47,700					11,300	113,000
3.2	Total support costs (US \$)	7,020				6,201					1,469	14,690
3.3	Total agreed costs (US \$)	61,020				53,901					12,769	127,690
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											1.4
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											2.59

GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	2.32

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			2.32	2.32	2.09	2.09	2.09	2.09	2.09	1.51	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	2.50	2.40	2.32	2.32	2.09	2.09	2.09	2.09	2.09	1.51	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	53,875				46,925					11,200	112,000
2.2	Support costs for Lead IA (US \$)	7,004				6,100					1,456	14,560
3.1	Total agreed funding (US \$)	53,875				46,925					11,200	112,000
3.2	Total support costs (US \$)	7,004				6,100					1,456	14,560
3.3	Total agreed costs (US \$)	60,879				53,025					12,656	126,560
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.81
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											1.51

GOVERNMENT OF NAURU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	0.30

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			0.30	0.30	0.27	0.27	0.27	0.27	0.27	0.20	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	0.50	0.40	0.30	0.30	0.27	0.27	0.27	0.27	0.27	0.20	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	45,625				20,975					7,400	74,000
2.2	Support costs for Lead IA (US \$)	5,931				2,727					962	9,620
3.1	Total agreed funding (US \$)	45,625				20,975					7,400	74,000
3.2	Total support costs (US \$)	5,931				2,727					962	9,620
3.3	Total agreed costs (US \$)	51,556				23,702					8,362	83,620
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.1
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.20

GOVERNMENT OF NIUE

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	0.15

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			0.15	0.15	0.14	0.14	0.14	0.14	0.14	0.10	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	0.30	0.20	0.15	0.15	0.14	0.14	0.14	0.14	0.14	0.10	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	45,625				20,075					7,300	73,000
2.2	Support costs for Lead IA (US \$)	5,931				2,610					949	9,490
3.1	Total agreed funding (US \$)	45,625				20,075					7,300	73,000
3.2	Total support costs (US \$)	5,931				2,610					949	9,490
3.3	Total agreed costs (US \$)	51,556				22,685					8,249	82,490
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.05
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.10

GOVERNMENT OF PALAU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	2.96

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			2.96	2.96	2.66	2.66	2.66	2.66	2.66	1.92	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		3.2	2.96	2.96	2.66	2.66	2.66	2.66	2.66	1.92	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	62,375				45,625					12,000	120,000
2.2	Support costs for Lead IA (US \$)	8,109				5,931					1,560	15,600
3.1	Total agreed funding (US \$)	62,375				45,625					12,000	120,000
3.2	Total support costs (US \$)	8,109				5,931					1,560	15,600
3.3	Total agreed costs (US \$)	70,484				51,556					13,560	135,600
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											1.04
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											1.92

GOVERNMENT OF SAMOA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	3.88

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			3.88	3.88	3.49	3.49	3.49	3.49	3.49	2.52	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	4.00	3.80	3.88	3.88	3.49	3.49	3.49	3.49	3.49	2.52	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	76,250				57,400					14,850	148,500
2.2	Support costs for Lead IA (US \$)	9,913				7,462					1,931	19,305
3.1	Total agreed funding (US \$)	76,250				57,400					14,850	148,500
3.2	Total support costs (US \$)	9,913				7,462					1,931	19,305
3.3	Total agreed costs (US \$)	86,163				64,862					16,781	167,805
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											1.36
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											2.52

GOVERNMENT OF SOLOMON ISLANDS

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	34.64

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			34.64	34.64	31.18	31.18	31.18	31.18	31.18	22.52	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		40.00	34.64	34.64	31.18	31.18	31.18	31.18	31.18	22.52	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	110,250				65,250					19,500	195,000
2.2	Support costs for Lead IA (US \$)	14,333				8,483					2,535	25,350
3.1	Total agreed funding (US \$)	110,250				65,250					19,500	195,000
3.2	Total support costs (US \$)	14,333				8,483					2,535	25,350
3.3	Total agreed costs (US \$)	124,583				73,733					22,035	220,350
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											12.12
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											22.52

GOVERNMENT OF TONGA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.34

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.34	1.34	1.21	1.21	1.21	1.21	1.21	0.87	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		2.00	1.34	1.34	1.21	1.21	1.21	1.21	1.21	0.87	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	64,750				49,550					12,700	127,000
2.2	Support costs for Lead IA (US \$)	8,418				6,442					1,651	16,510
3.1	Total agreed funding (US \$)	64,750				49,550					12,700	127,000
3.2	Total support costs (US \$)	8,418				6,442					1,651	16,510
3.3	Total agreed costs (US \$)	73,168				55,992					14,351	143,510
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.47
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.87

GOVERNMENT OF TUVALU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.61

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.61	1.61	1.5	1.5	1.5	1.5	1.5	1.05	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		1.60	1.61	1.61	1.5	1.5	1.5	1.5	1.5	1.05	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	47,875				34,925					9,200	92,000
2.2	Support costs for Lead IA (US \$)	6,224				4,540					1,196	11,960
3.1	Total agreed funding (US \$)	47,875				34,925					9,200	92,000
3.2	Total support costs (US \$)	6,224				4,540					1,196	11,960
3.3	Total agreed costs (US \$)	54,099				39,465					10,396	103,960
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.56
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											1.05

GOVERNMENT OF VANUATU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	5.28

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			5.28	5.28	4.75	4.75	4.75	4.75	4.75	3.43	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		6.00	5.28	5.28	4.75	4.75	4.75	4.75	4.75	3.43	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	76,250				57,400					14,850	148,500
2.2	Support costs for Lead IA (US \$)	9,913				7,462					1,931	19,305
3.1	Total agreed funding (US \$)	76,250				57,400					14,850	148,500
3.2	Total support costs (US \$)	9,913				7,462					1,931	19,305
3.3	Total agreed costs (US \$)	86,163				64,862					16,781	167,805
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											2.37
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											3.43

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The overall monitoring will be the responsibility of National Ozone Unit (NOU) of each country.
2. The consumption will be monitored based on data collected from relevant government departments and crosschecking it with data collected from the distributors and consumers.
3. The NOU will be responsible for reporting and shall submit the following reports in a timely manner:
 - (a) Annual reports on consumption of Substances to be submitted to the Ozone Secretariat;
 - (b) Annual reports on 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. 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;
 - (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) 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 each implementing or bilateral agency involved;

- (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 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.

Annex XXII

AGREEMENT BETWEEN THE GOVERNMENT OF PARAGUAY 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 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 11.67 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

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

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011-2012	2013-2014	2015-2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	18.0	16.1	11.7	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	17.95	16.16	11.67	n/a
2.1	Lead IA UNEP agreed funding(US \$)	146,500	0	120,500	63,000	330,000
2.2	Support costs for Lead IA (US \$)	19,045	0	15,665	8,190	42,900
2.3	Cooperating IA UNDP agreed funding (US \$)	168,500	0	131,500	0	300,000
2.4	Support costs for Cooperating IA (US \$)	12,638	0	9,862	0	22,500
3.1	Total agreed funding (US \$)	315,000	0	252,000	63,000	630,000
3.2	Total support cost (US \$)	31,683	0	25,527	8,190	65,400
3.3	Total agreed costs (US \$)	346,683	0	277,527	71,190	695,400
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)					5.32
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)					0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)					10.63
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this agreement (ODP tonnes)					0.00
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)					0.20
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this agreement (ODP tonnes)					0.05
4.3.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)					0.00
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)					0.10
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)					0.45
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)					0.00
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)					0.96
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)					0.46
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)					0.00
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)					1.14

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The monitoring component includes: timely implementation of all the HPMP activities; monitoring of project results and objectives; monitoring of market developments and trends at the national and international levels; technical guidance to the project beneficiaries on a regular basis;

periodic reports on project activities and results, and market developments and trends, in order to facilitate corrective actions; and timely progress reports to the Executive Committee.

2. The component will provide a consistent and regular programme of implementation, follow up and monitoring visits to the project beneficiaries, coupled with technical assistance, in order to keep project momentum, ensure early detection of problems, apply corrective measures when needed, and ensure the accountability of stakeholders. A special effort will need to be made concerning the monitoring of actual HCFC imports and HCFC consumption in the country.

3. The project will be instrumental in:

- (a) Preparing operational and purchasing annual plans of the HPMP, including detailed design of the project activities, engagement of stakeholders, identification and selection of beneficiaries, local contracting of goods and services;
- (b) Regular analysis of market trends and developments at the national and international levels in order to incorporate into the relevant activities and inform stakeholders;
- (c) Designing, organization and implementation of specific activities for monitoring of the project results, and the country's compliance with the Montreal Protocol obligations;
- (d) Analysis of monitoring results, production of detailed periodic results reports, organization of review meetings, and design and implementation of corrective measures, and providing continuous technical assistance to project beneficiaries, and partner institutions;
- (e) Production of: Annual Progress Reports for internal use, "HPMP Annual Implementation Report", and "HPMP Annual Implementation Plan" for the Executive Committee. It will also produce any other reports that may prove necessary for the proper functioning of the HPMP projects.

Special considerations

4. The monitoring function should provide information on the results of the different projects within the HPMP, the remaining projects from the terminal phase-out management plan (TPMP), and on the actual HCFC consumption.

5. The monitoring visits or surveys should cover all the beneficiaries of the HPMP projects, and should include cross-reference data. The monitoring visits should also include a regular survey of refrigerant points of sales in order to verify that CFCs are effectively out of the market; as well as measures to overview the network of recovery and recycling established amongst the servicing workshops and refrigerant suppliers.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XXIII

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF MOLDOVA 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 the Republic of Moldova (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 2.05 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	2.28

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	2.3	2.3	2.1	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	2.28	2.28	2.05	n/a
2.1	Lead IA UNDP agreed funding (US \$)	79,200	0	0	0	8,800	88,000
2.2	Support costs for Lead IA (US \$)	7,128	0	0	0	792	7,920
3.1	Total agreed funding (US \$)	79,200	0	0	0	8,800	88,000
3.2	Total support cost (US \$)	7,128	0	0	0	792	7,920
3.3	Total agreed costs (US \$)	86,328	0	0	0	9,592	95,920
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						0.23
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						2.05

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The Ministry of Environment will be responsible for the implementation of the HPMP assisted by the National Ozone Unit (NOU). Experience gained so far shows that direct involvement of end-users, service companies and importers dealing with refrigeration and air-conditioning give the best results. In this context, the assistance of the Public Association of the Refrigeration Technicians from the Republic of Moldova will be rendered by its members taking into account their experience and collaboration with foreign partners. The Public Association of the Refrigeration Technicians will be responsible for development of a new certification system and collaboration with the Ministry of Construction and Regional Development and training institutions.

2. Harmonisation of some legal acts related to ODS with European Union legislation will be carried out involving the National Institute of Standardization and Metrology and other relevant governmental agencies. The Ministry of Environment and the NOU will continue close collaboration with Customs Service to ensure effective implementation of licensing system and import/export monitoring of HCFC and HCFC-based equipment/products. The State Ecological Inspectorate will give its support in the monitoring of environmental legislation implementation. The Ministry of Agriculture and Food Industry may also add valuable contribution through their programmes, including assistance delivered by international organisations and different funds. Mass-media and non-governmental organizations will be engaged in public awareness activities.

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;
- (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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XXIV

AGREEMENT BETWEEN THE GOVERNMENT OF SAO TOME AND PRINCIPE 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 Sao Tome and Principe (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 0.1 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.15

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	2.2	2.2	2.0	2.0	2.0	2.0	2.0	1.4	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	0.15	0.15	0.14	0.14	0.14	0.14	0.14	0.10	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	44,000		35,000		0	35,000	0	30,000	0	16,000	160,000
2.2	Support costs for Lead IA (US \$)	5,720	0	4,550	0	0	4,550	0	3,900	0	2,080	20,800
3.1	Total agreed funding (US \$)	44,000		35,000		0	35,000	0	30,000	0	16,000	160,000
3.2	Total support costs (US \$)	5,720	0	4,550	0	0	4,550	0	3,900	0	2,080	20,800
3.3	Total agreed costs (US \$)	49,720	0	39,550	0	0	39,550	0	33,900	0	18,080	180,800
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)											0.05
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.10

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The National Ozone Unit (NOU) will submit annual progress reports of status of implementation of the HPMP to UNEP.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent local company or to independent local consultants by UNEP.

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;
- (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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XXV

**AGREEMENT BETWEEN THE GOVERNMENT OF TIMOR-LESTE AND THE EXECUTIVE
COMMITTEE OF THE MULTILATERAL FUND FOR THE
REDUCTION IN CONSUMPTION OF CHLOROFLUOROCARBONS (CFCs)
AND HYDROCHLOROFLUOROCARBONS (HCFCs)**

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 0.48 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data with the funding to be adjusted accordingly, as per decision 60/44.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in rows 1.2 and 1.4 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 which exceeds the levels defined in rows 1.2 and 1.4 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in rows 1.2 and 1.4 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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 CFCs and HCFCs phase-out management plan 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 Implementation of the activities in the previous tranche implementation plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 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 CFCs and HCFCs phase-out management plan 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 implementing 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 co-ordinated 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 rows 1.2 and 1.4 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 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 CFCs and HCFCs phase-out management 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.53
CFC-12 and CFC-115	A	I	0

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Parameter/Year	2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*			0.5	0.5	0.5	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)			0.53	0.53	0.48	n/a
1.3	Montreal Protocol reduction schedule of Annex A, Group I substances (ODP tonnes)	0	0	0	0	0	n/a
1.4	Maximum allowable total consumption of Annex A, Group I substances (ODP tonnes)	0	0	0	0	0	n/a
2.1	Lead IA UNEP agreed funding(US \$)	93,500		55,000		16,400	164,900
2.2	Support costs for Lead IA(US \$)	12,155		7,150		2,132	21,437
2.3	Cooperating IA UNDP agreed funding (US \$)	96,120				10,680	106,800
2.4	Support costs for Cooperating IA (US \$)	8,651				961	9,612
3.1	Total agreed funding (US \$)	189,620		55,000		27,080	271,700
3.2	Total support cost (US \$)	20,806		7,150		3,093	31,049
3.3	Total agreed costs (US \$)	210,426		62,150		30,173	302,749
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						0.053
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						0.48

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 CFCs and HCFCs phase-out management plan results and the consumption of the substances mentioned in Appendix 1-A, 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 lead implementing 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. The National Ozone Unit (NOU) will submit annual progress reports on the status of the implementation of the CFCs and HCFCs phase-out management plan to UNEP and UNDP.
2. Monitoring of development of the CFCs and HCFCs phase-out management plan and verification of the achievement of the performance targets, specified in the Plan, will be assigned to an independent local company or to an independent local consultant(s) by UNEP.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (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 organization to carry out the verification of the CFCs and HCFCs phase-out management plan 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 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 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 \$180 per ODP kg of consumption beyond the level defined in rows 1.2 or 1.4 of Appendix 2-A for each year in which the target specified in rows 1.2 or 1.4 of Appendix 2-A has not been met.

Annex XXVI

**AGREEMENT BETWEEN THE GOVERNMENT OF BHUTAN AND THE EXECUTIVE
COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF
HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Bhutan (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 tonne prior to 1 January 2025 in compliance with Montreal Protocol schedules with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44 and that there will be no more funding eligibility for any future HCFC phase-out after 2025.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted tranche implementation reports 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;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.31

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Parameter/Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020-2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.1	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.31	0.31	0.28	0.28	0.25	0.25	0.2	0.2	0.1	0.1	0.007	
2.1	Lead IA (UNEP) agreed funding (US \$)	100,000		70,000			84,000					28,000	282,000
2.2	Support costs for Lead IA (US \$)	13,000		9,100			10,920					3,640	36,660
2.3	Cooperating IA (UNDP) agreed funding (US \$)	70,000		42,000			57,000					19,000	188,000
2.4	Support costs for cooperating IA (US \$)	6,300		3,780			5,130					1,710	16,920
3.1	Total agreed funding (US \$)	170,000		112,000			141,000					47,000	470,000
3.2	Total support costs (US \$)	19,300		12,880			16,050					5,350	53,580
3.3	Total agreed costs (US \$)	189,300		124,880			157,050					52,350	523,580
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											0.303	
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)											-	
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)											0.007	

Note: The remaining HCFC consumption from 2025 to 2029 will be 0.007 ODP tonnes as servicing tail

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The overall monitoring will be the responsibility of National Ozone Unit (NOU), Ministry of Industries.

2. The consumption will be monitored based on data collected from relevant government departments and crosschecking it with data collected from the distributors and consumers.

3. The NOU will be responsible for reporting and shall submit the following reports in a timely manner:

- (a) Annual reports on consumption of Substances to be submitted to the Ozone Secretariat;
- (b) Annual reports on 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. 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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;

- (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 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 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 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 \$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.

Annex XXVII

**AGREEMENT BETWEEN THE GOVERNMENT OF MAURITIUS AND THE EXECUTIVE
COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF
HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Mauritius (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 0.2 ODP tonne prior to 1 January 2025 and zero ODP tonne prior to January 2030 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. The Government of Germany 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	10.1
HCFC-141b	C	I	0.1

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2013	2014	2015	2017	2020	2023	2025	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*		10.7	10.7	9.6	9.6	7.0	7.0	3.5	0.3	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)		10.2	10.2	9.1	9.1	5.1	2	0.2	0	n/a
2.1	Lead IA Germany agreed funding(US \$)	157,050		131,400		357,750	186,300	67,500		100,000	1,000,000
2.2	Support costs for Lead IA(US \$)	18,846		15,768		42,930	22,356	8,100		12,000	120,000
3.1	Total agreed funding (US \$)	157,050		131,400		357,750	186,300	67,500		100,000	1,000,000
3.2	Total support cost (US \$)	18,846		15,768		42,930	22,356	8,100		12,000	120,000
3.3	Total agreed costs (US \$)	175,896		147,168		400,680	208,656	75,600		112,000	1,120,000
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)										10.1
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										0
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)										0.1
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)										0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										0

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. Under the terminal phase-out management plan (TPMP), the National Ozone Unit (NOU) conducted the monitoring of the TPMP activities with assistance from the Government of Germany. The NOU will continue in a similar way with respect to monitoring of the HPMP activities. If there is a need for special assistance with monitoring then a suitable consultant will be hired to undertake the task. There are several persons who work at the ozone office of Mauritius and therefore the NOU is confident that the country will be able to undertake the monitoring activities as required by the HPMP.

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;
- (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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XXVIII

AGREEMENT BETWEEN THE GOVERNMENT OF NAMIBIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Namibia (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 0.15 ODP tonnes prior to 1 January 2025 and zero ODP tonne prior to 1 January 2030 in compliance with agreed Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44, and on the understanding that there will be no more funding eligibility for any HCFC phase-out in the country after 2025.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3(remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. The Government of Germany 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	5.83
HCFC-141b	C	I	0.31

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 - 2024	2025*	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)**			6.1	6.1	5.5	5.5	5.5	5.5	5.5	4.0	2.0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes) under HPMP	6.48	6.14	5.28	4.85	4.30	3.10	2.17	1.23	0.56	0.56	0.15	n/a
2.1	Lead IA Germany agreed funding (US \$)	300,000		240,000				270,000				90,000	900,000
2.2	Support costs for Lead IA (US \$)	36,333		29,067				32,700				10,900	109,000
3.1	Total agreed funding (US \$)	300,000		240,000				270,000				90,000	900,000
3.2	Total support costs (US \$)	36,333		29,067				32,700				10,900	109,000
3.3	Total agreed costs (US \$)	336,333		269,067				302,700				100,900	1,009,000
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)												5.83
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)												n/a
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)												0.31
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)												n/a
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)												0

*Note: the remaining HCFC consumption from 2025 to 2029 will be 0.15 ODP tonnes as servicing tail.

**Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The National Ozone Unit (NOU) will appoint a national institution or a suitable independent consultant to monitor all activities of the HPMP. This institute/consultant will submit annual progress reports of status of implementation of the HPMP through the NOU to the Government of Germany.

2. Verification of the achievement of the performance targets, specified in the Plan, will be undertaken, upon specific request of the Executive Committee, by an independent local company or independent local consultants contracted by the Government of Germany.

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.
- (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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XXIX

**AGREEMENT BETWEEN THE GOVERNMENT OF PAPUA NEW GUINEA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR
THE PHASE-OUT OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Papua New Guinea (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 tonne prior to 1 January 2025 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44, and on the understanding that there will be no more funding eligibility for any HCFC phase-out in the country after 2025.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation plan and submitted a tranche implementation report in the form of Appendix 4-A (“Format of Tranche Implementation Report and Plan”) for 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A Format of Tranche Implementation Report and Plan”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. The Government of Germany 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	3.4

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017-2019	2020	2021-2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	3.4	3.4	3.1	3.1	3.1	2.2	2.2	1.2	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	3.19	3.08	2.94	2.6	2.26	1.39	0.87	0	n/a
2.1	Lead IA Germany agreed funding (US \$)	350,000		340,000			301,000		134,000		125,000	1,250,000
2.2	Support costs for Lead IA (US \$)	41,300		40,120			35,518		15,812		14,750	147,500
3.1	Total agreed funding (US \$)	350,000		340,000			301,000		134,000		125,000	1,250,000
3.2	Total support cost (US \$)	41,300		40,120			35,518		15,812		14,750	147,500
3.3	Total agreed costs (US \$)	391,300		380,120			336,518		149,812		139,750	1,397,500
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)											3.4
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0

*Figures based on Article 7 data, which are rounded to one decimal point.

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 REPORT AND PLAN

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The National Ozone Unit (NOU) will appoint a national institution to monitor all activities of the HPMP. This institute will submit annual progress reports of status of implementation of the HPMP through the NOU to the Government of Germany.
2. Verification of the achievement of the performance targets, specified in the Plan, will be undertaken, upon specific request of the Executive Committee, by an independent local company or independent local consultants contracted by the Government of Germany.

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;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the 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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XXX

**AGREEMENT BETWEEN THE GOVERNMENT OF SEYCHELLES AND THE EXECUTIVE
COMMITTEE OF THE MULTILATERAL FUND FOR THE PHASE-OUT OF
HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of Seychelles (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 2025 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data with the funding to be adjusted accordingly, as per decision 60/44, and on the understanding that there will be no more funding eligibility for any HCFC phase-out in the country after 2025.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. The Government of Germany 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 any of the agencies 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.36
HCFC-141b	C	I	0.02

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020-2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*			1.4	1.4	1.2	1.2	1.2	1.2	1.2	0.9	0.5	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.25	1.25	0.94	0.70	0.53	0.40	0.30	0.30	0.30	0.30	0.00	n/a
2.1	Lead IA Germany agreed funding (US \$)	200,000		160,000		180,000						60,000	600,000
2.2	Support costs for Lead IA (US \$)	25,333		20,267		22,800						7,600	76,000
3.1	Total agreed funding (US \$)	200,000		160,000		180,000						60,000	600,000
3.2	Total support cost (US \$)	25,333		20,267		22,800						7,600	76,000
3.3	Total agreed costs (US \$)	225,333		180,267		202,800						67,600	676,000
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)												1.36
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)												0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)												0
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)												0.02
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)												0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)												0

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. Under the terminal phase-out management plan, Seychelles monitored the activities through the National Ozone Unit (NOU) and was supported by the Government of Germany. Under the HPMP, the NOU will remain the focal point for monitoring the activities to be conducted in the country and will be supported by the Government of Germany. If during the course of implementation services of additional staff are required, the NOU will incorporate that into the project.

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.
- (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) 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 each implementing or bilateral agency involved;
- (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 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.

Annex XXXI

**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**

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 1.15 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules. with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
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 bilateral or implementing agency, 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, except if the Executive Committee decided that such verification would not be required, consistent with paragraph (c) and (d) of decision 61/46;

- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 Implementation of the activities in the previous tranche implementation plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and the Government of France 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 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 implementing 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 co-ordinated implementation of the Plan, including regular coordination 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.77
HCFC-141b contained in pre-blended polyol	C	I	3.24

APPENDIX 2-A: THE TARGETS, AND FUNDING*

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)**			1.8	1.8	1.6	1.6	1.6	1.6	1.6	1.2	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)			1.77	1.77	1.59	1.59	1.59	1.59	1.59	1.15	n/a
2.1	Lead IA UNEP agreed funding (US \$)	113,625				48,750					13,875	176,250
2.2	Support costs for Lead IA (US \$)	14,771				6,338					1,804	22,913
2.3	Cooperating IA France agreed funding (US \$)					30,375					3,375	33,750
2.4	Support costs for Cooperating IA (US \$)					3,949					439	4,388
3.1	Total agreed funding (US \$)	113,625				79,125					17,250	210,000
3.2	Total support cost (US \$)	14,771				10,287					2,243	27,300
3.3	Total agreed costs (US \$)	128,396				89,411					19,943	237,300
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)											0.62
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											1.15
4.2.1	Total phase-out of HCFC-141b in pre-blended polyols agreed to be achieved under this agreement (ODP tonnes)											0
4.2.2	Phase-out of HCFC-141b in pre-blended polyols to be achieved in previously approved projects (ODP tonnes)											n/a
4.2.3	Remaining eligible consumption for HCFC-141b in pre-blended polyols (ODP tonnes)											3.24

*Excludes funding for conversion of HCFC-141b contained in pre-blended polyol

**Figures based on Article 7 data, which are rounded to one decimal point.

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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 lead implementing 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. The annual consumption of HCFCs and other ODSs will be monitored through the Customs Department and Water Resources and Environment Administration.

2. The Customs Department and the Ministry of Industry and Commerce will control and monitor the import of ODS and products containing ODS respectively.
3. The Country's National Ozone Unit (NOU) will liaise with chemical importers and distributors to obtain HCFC consumption data and cross-check with data from the Customs Department. The NOU will carry out regular surveys of the market to gauge the penetration of non-HCFC substitutes and alternative technologies in the refrigeration air conditioning sector.
4. Ministries and Departments will develop plans and measures to monitor and control the ODS used in the maintenance and servicing of equipment under their control.
5. The NOU will monitor the implementation of capacity building activities with relevant agencies: refrigeration technician training (technical schools); enforcement officers training (Customs Department, Department of Domestic Trade).
6. Verification of the achievement of the performance targets specified in the Plan will be assigned to an independent company or consultant(s) by UNEP.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (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 IA, 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 co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XXXII

AGREEMENT BETWEEN THE GOVERNMENT OF MONGOLIA 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 Mongolia (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 0.85 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Japan 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.31

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*			1.3	1.3	1.2	1.2	1.2	1.2	1.2	0.9	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)			1.31	1.31	1.18	1.18	1.18	1.18	1.18	0.85	n/a
2.1	Lead IA UNEP agreed funding(US \$)	65,000		65,000			69,000				37,000	236,000
2.2	Support costs for Lead IA(US \$)	8,450		8,450			8,970				4,810	30,680
2.3	Cooperating IA Japan agreed funding (US \$)	130,000										130,000
2.4	Support costs for Cooperating IA (US \$)	16,900										16,900
3.1	Total agreed funding (US \$)	195,000		65,000			69,000				37,000	366,000
3.2	Total support cost (US \$)	25,350		8,450			8,970				4,810	47,580
3.3	Total agreed costs (US \$)	220,350		73,450			77,970				41,810	413,580
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)											0.46**
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0.85

*Figures based on Article 7 data, which are rounded to one decimal point.

**Additional 0.54 ODP tonnes to be achieved under the investment component

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The overall monitoring will be the responsibility of National Ozone Unit (NOU), Ministry of Industries.

2. The consumption will be monitored based on data collected from relevant government departments and crosschecking it with data collected from the distributors and consumers.
3. The NOU will be responsible for reporting and shall submit the following reports in a timely manner:
 - (a) Annual reports on consumption of Substances to be submitted to the Ozone Secretariat;
 - (b) Annual reports on 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. 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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (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 IA, 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 each implementing or bilateral agency involved;

- (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 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 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 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 \$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.

Annex XXXIII

AGREEMENT BETWEEN THE GOVERNMENT OF SWAZILAND 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 Swaziland (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 1.13 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.74
HCFC-141b	C	I	7.66
TOTAL			9.40

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	9.4	9.4	8.5	8.5	8.5	8.5	8.5	6.1	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	9.40	9.40	1.57	1.57	1.57	1.57	1.57	1.13	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	75,000		55,000			50,000			30,000		210,000
2.2	Support costs for Lead IA (US \$)	9,750		7,150			6,500			3,900		27,300
2.3	Cooperating IA (UNDP) agreed funding (US \$)	667,948										667,948
2.4	Support costs for Cooperating IA (US \$)	50,096										50,096
3.1	Total agreed funding (US \$)	742,948		55,000			50,000			30,000		877,948
3.2	Total support costs (US \$)	59,846		7,150			6,500			3,900		77,396
3.3	Total agreed costs (US \$)	802,794		62,150			56,500			33,900		955,344
4.1.1	Total phase-out of HCFC-22 and under this agreement (ODP tonnes)											0.61
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0.00
4.1.3	Remaining eligible consumption for HCFC-22											1.13
4.2.1	Total phase-out of HCFC-141 b under this agreement (ODP tonnes)											7.66
4.2.2	Phase-out of HCFC-141 b in previously approved projects (ODP tonnes)											0.00
4.2.3	Remaining eligible consumption for HCFC-141b											0.00

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. All the monitoring activities will be coordinated and managed through the National Ozone Unit, which is included within this HPMP.

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the HPMP. This organization, along with the cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports with advisements made to the appropriate national agencies through the National Ozone Office.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;
- (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 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 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 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 \$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.

Annex XXXIV

**AGREEMENT BETWEEN THE ISLAMIC REPUBLIC OF AFGHANISTAN 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 the Islamic Republic of Afghanistan (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 15.16 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 implementation of the activities in the previous tranche implementation plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Germany 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	23.33

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Parameter/Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*			23.3	23.3	21	21	21	21	21	15.1	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)			23.3	23.3	21	21	21	21	21	15.1	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	120,000			118,000			120,000			40,825	398,825
2.2	Support costs for Lead IA (US \$)	15,600			15,340			15,600			5,307	51,847
2.3	Cooperating IA (Germany) agreed funding (US \$)	85,000			84,000			83,000			28,276	280,276
2.4	Support costs for cooperating IA (US \$)	11,050			10,920			10,790			3,676	36,436
3.1	Total agreed funding (US \$)	205,000			202,000			203,000			69,101	679,101
3.2	Total support costs (US \$)	26,650			26,260			26,390			8,983	88,283
3.3	Total agreed costs (US \$)	231,650			228,260			229,390			78,084	767,384
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											8.2
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)											15.1

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 lead implementing 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. The National Ozone Unit (NOU) will submit annual progress reports on implementation status of the HPMP to UNEP and the Government of Germany.
2. Monitoring of activities 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 consultant(s) by UNEP.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (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 IA, 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 co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;

- (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 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 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 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 \$166 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.

Annex XXXV

AGREEMENT BETWEEN THE GOVERNMENT OF CHILE 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 Chile (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 90.24 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3, 4.2.3, and 4.3.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP 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 agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	50.5
HCFC-141b	C	I	47.5
HCFC-142b	C	I	1.95
HCFC-123	C	I	0.05
HCFC-124	C	I	0.01
HCFC-225	C	I	0.25

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	100.3	100.3	90.2	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	100.27	100.27	90.24	n/a
2.1	Lead IA UNDP agreed funding(US \$)	465,566	537,357	295,744	112,540	86,759	1,497,966
2.2	Support costs for Lead IA(US \$)	34,917	40,302	22,181	8,440	6,507	112,347
2.3	Cooperating IA UNEP agreed funding (US \$)	153,217	40,127	27,022	27,022	41,101	288,489
2.4	Support costs for Cooperating IA (US \$)	19,918	5,217	3,513	3,513	5,343	37,504
3.1	Total agreed funding (US \$)	618,783	577,484	322,766	139,562	127,860	1,786,455
3.2	Total support cost (US \$)	54,835	45,519	25,694	11,953	11,850	149,851
3.3	Total agreed costs (US \$)	673,618	623,003	348,460	151,515	139,710	1,936,306
4.1.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)						3.02
4.1.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						0
4.1.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						44.48
4.2.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						18.98
4.2.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						0
4.2.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						31.52
4.3.1	Total phase-out other HCFCs (123, 225, 124, 142b) agreed to be achieved under this agreement (ODP tonnes)						0
4.3.2	Phase-out other HCFCs (123, 225, 124, 142b) to be achieved in previously approved projects (ODP tonnes)						0
4.3.3	Remaining eligible consumption for other HCFCs (123, 225, 124, 142b) (ODP tonnes)						2.26

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The National Ozone Unit (NOU) of the Ministry of Environment shall be responsible for coordinating the various actions associated with each strategic line. In order to carry this out, the NOU will coordinate with the different areas of the institution, such as regulation and policy, pollution control, legal and communications, among others.
2. To support the implementation of projects within the different sectors, national and international consultants will be hired, if necessary, to implement the identified activities and give support to the NOU in liaison with key stakeholders including other Ministries or Agencies, and private sector.
3. Within the foam sector, the consultants will assist in the selection of the more convenient technological and economical conversion options.
4. Within the refrigeration sector, they will assist with the implementation of training projects, demonstrative conversions, Recovering and Recycling Centre, among other actions to be carried out in the refrigeration sector.
5. The Government is fully supportive of the NOU. The Ministry of Environment has ensured -and will assure in the future- passage of all necessary national laws and regulations, including establishing an import licensing system which allows to establish annual maximum admissible import quantities for Chile of substances that are regulated under the Montreal Protocol, its amendments and its annexes and set the basis for control of HCFCs into the country.
6. For proper implementation of these projects, it is essential to have the active participation from the relevant Public Service Offices as well as the National Customs Service who will have an active involvement in defining and implementing procedures for HCFCs control.
7. It is also important to count on the different companies, technicians and technical services involved in each activity of this project. These actors will have to take responsibility for implementing good practices in refrigeration and promote behavioural change in their peers. Relevant actors within the foam sector will include the HCFC-141b users in foams and the suppliers of alternative technologies, as well as system houses.

Verification and Reporting

8. The outcome of the different elements of the HPMP will be verified independently by an external organization. The Government and the independent organization will jointly design the verification procedures as part of the design phase of the monitoring programme.

Frequency of verification and reporting

9. The monitoring reports will be produced each year, previous to the first meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (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 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 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 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 \$180 per ODP 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.

Annex XXXVI

AGREEMENT BETWEEN THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF THE CONGO 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 the Democratic Republic of the Congo (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 52.2 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 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 any of the agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	58

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	58.0	58.0	52.2	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	58.0	58.0	52.2	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	95,000		116,500		23,500	235,000
2.2	Support costs for Lead IA (US \$)	12,350		15,145		3,055	30,550
2.3	Cooperating IA (UNDP) agreed funding (US \$)	100,000		116,000		24,000	240,000
2.4	Support costs for Cooperating IA (US \$)	9,000		10,440		2,160	21,600
3.1	Total agreed funding (US \$)	195,000		232,500		47,500	475,000
3.2	Total support costs (US \$)	21,350		25,585		5,215	52,150
3.3	Total agreed costs (US \$)	216,350		258,085		52,715	527,150
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)						5.8
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)						0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						52.2

*Figures based on Article 7 data, which are rounded to one decimal point.

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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 lead implementing 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. The National Ozone Unit (NOU) will submit annual progress reports on status of implementation of the HPMP to UNEP.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to an independent local company or independent local consultants by UNEP.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range on 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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;
- (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 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 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 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 \$163.64 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.

Annex XXXVII

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

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 320.1 ODP tonnes for 2015 under the Montreal Protocol reduction schedule prior to 1 January 2015 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 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 which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) 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 which exceeds the level defined in rows 4.1.3 and 4.2.3.
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 bilateral or implementing agency, 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, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) 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;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 Implementation of the activities in the previous tranche implementation plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP, UNIDO and the Government of Germany have agreed to be cooperating agencies 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 agencies to ensure appropriate timing and sequence of activities in the implementation. The cooperating agencies 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 agencies have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular coordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the cooperating agencies 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 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 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 agencies to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the cooperating agencies with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	173.3
HCFC-141b	C	I	182.4
Total			355.7

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes) *	n/a	n/a	355.7	355.7	320.1	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	355.7	355.7	320.1	n/a	
2.1	Lead IA UNDP agreed funding(US \$)	2,242,000	1,370,000	477,816	0	475,930	4,565,746	
2.2	Support costs for Lead IA(US \$)	168,150	102,750	35,836		35,695	342,431	
2.3	Cooperating IA UNEP agreed funding (US \$)	262,000	0	0	0	0	262,000	
2.4	Support costs for Cooperating IA (US \$)	34,060	0	0	0	0	34,060	
2.5	Cooperating IA UNIDO agreed funding (US \$)	1,300,000	830,000	275,000	0	274,827	2,679,827	
2.6	Support costs for Cooperating IA (US \$)	97,500	62,250	20,625	0	20,612	200,987	
2.7	Cooperating agency Germany agreed funding (US \$)	2,063,000	534,233	0	0	288,582	2,885,815	
2.8	Support costs for Cooperating agency (US \$)	234,079	60,617	0	0	32,744	327,440	
3.1	Total agreed funding (US \$)	5,867,000	2,734,233	752,816	0	1,039,339	10,393,388	
3.2	Total support cost (US \$)	533,789	225,617	56,461	0	89,051	904,918	
3.3	Total agreed costs (US \$)	6,400,789	2,959,850	809,277		1,128,390	11,298,306	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)							41.4
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)							-
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							131.9
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)							65.7
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)							-
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							116.7

*Figures based on Article 7 Data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 lead implementing 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. The monitoring process will be managed by the Islamic Republic of Iran Department of Environment (DOE) 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.
3. The NOU 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;
 - (b) Annual reports on progress of implementation of HPMP to be submitted to the Executive Committee of the Multilateral Fund; and
4. The NOU and the Lead IA will engage an independent and qualified entity to carry out a qualitative and quantitative performance evaluation of the HPMP implementation.
5. The evaluating entity shall have full access to relevant technical and financial information related to implementation of the HPMP.
6. The evaluating entity 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.
7. Upon incorporating the comments and explanations as may be applicable, from NOU, Lead IA and the Cooperating IAs, the evaluating entity shall finalize the report and submit to the NOU and Lead IA.
8. 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 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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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) Coordinating the activities of the Cooperating IA, 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 co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (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 sub-paragraph 5(b), sub-paragraph 1(b) of Appendix 4-A and Appendix 5-A.

APPENDIX 6-B: ROLE OF COOPERATING AGENCIES

1. The Cooperating IA will be responsible for the following:
 - (a) 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
 - (b) Providing timely 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 \$216 per ODP 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.

Annex XXXVIII

AGREEMENT BETWEEN THE GOVERNMENT OF THE BOLIVARIAN REPUBLIC OF VENEZUELA 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 the Bolivarian Republic of Venezuela (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 198.6 ODP tonnes prior to 1 January 2015 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 which exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, and 4.5.3 (remaining eligible consumption).
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 (“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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports 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;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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:

- (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 bilateral and implementing agencies involved 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 fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP 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 agencies 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 implementing 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 co-ordinated 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 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 HPMP 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) and paragraph 7, 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	172.51
HCFC-123	C	I	0.05
HCFC-124	C	I	0.09
HCFC-141b	C	I	40.53
HCFC-142b	C	I	9.43
Total			222.61

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	220.7	220.7	198.6	n/a
1.2	Maximum allowable total consumption of Annex C Group I substances (ODP tonnes)	n/a	n/a	220.7	220.7	198.6	n/a
2.1	Lead IA UNIDO agreed funding(US \$)	654,854	603,339	324,875	0	175,432	1,758,500
2.2	Support costs for Lead IA (US \$)	49,114	45,250	24,366	0	13,158	131,888
2.3	Cooperating IA UNEP agreed funding (US \$)	50,646	46,661	25,125	0	13,568	136,000
2.4	Support costs for Cooperating IA (US \$)	6,584	6,066	3,266	0	1,764	17,680
3.1	Total agreed funding (US \$)	705,500	650,000	350,000	0	189,000	1,894,500
3.2	Total support cost	55,698	51,316	27,632	0	14,922	149,568
3.3	Total agreed costs (US \$)	761,198	701,316	377,632	0	203,922	2,044,068
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						23.16
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						149.35
4.2.1	Total phase-out of HCFC-124 agreed to be achieved under this agreement (ODP tonnes)						n/a
4.2.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)						n/a
4.2.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)						0.09
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)						n/a
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						n/a
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						40.53
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)						n/a
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)						n/a
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)						9.43
4.5.1	Total phase-out of HCFC-123 agreed to be achieved under this agreement (ODP tonnes)						n/a
4.5.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)						n/a
4.5.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)						0.05

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 the Lead IA; 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. The monitoring activities will be carried out within the HPMP implementation, monitoring and control project, and will include:

- (a) The implementation of all the projects within the HPMP;
- (b) The regular monitoring of the project implementation and results;
- (c) The production of periodic reports on project results in order to facilitate corrective actions;
- (d) The production of timely project progress reports to the Executive Committee; and
- (e) Regular monitoring of market developments and trends at the national and international levels.

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. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (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 IA, 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 each implementing or bilateral agency involved;
- (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 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 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 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 \$163 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.

Annex XXXIX

**AGREEMENT BETWEEN THE GOVERNMENT OF VIET NAM
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 Viet Nam (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 100 per cent of the baseline consumption level and 90 per cent of the baseline consumption level by 1 January 2013 and 1 January 2015, respectively. In this context, the baseline consumption level is defined as the average consumption level of Annex C, Group I chemicals in 2009 and 2010.
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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 the Substances which exceed the level defined in rows 4.1.3, 4.2.3 and 4.3.3 (remaining eligible consumption).
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 2.1 of Appendix 2-A (“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 will meet the consumption limit as indicated in row 1.2 of Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of this consumption limit 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, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (“Format of Tranche Implementation Report and Plan”) 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;

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) 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; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan 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 sub-paragraph 5(b).

7. 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 smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent 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. 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. The World Bank 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.

9. 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

10. 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 kilogramme (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 these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

11. 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.

12. 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 information necessary to verify compliance with this Agreement.

13. The completion of the HPMP 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) and paragraph 7, 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.

14. 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	166
HCFC-123	C	I	0.02
HCFC-141b	C	I	219.8*
Total starting point			385.82**

* This figure includes 55.2 ODP tonnes of controlled HCFC-141b and the 2007-2009 average figure of HCFC-141b contained in imported pre-blended polyol by Viet Nam (164.56 ODP tonnes).

** The starting point is based on an estimated consumption baseline which is an average of the 2009 and 2010 consumption of Annex C, Group I chemicals in line with Executive Committee decision 60/44 plus the 2007-2009 average HCFC-141b content of imported pre-blended polyol.

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)*	n/a	n/a	221.2	221.2	199.1	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	221.22	221.22	199.10	n/a
2.1	Lead IA World Bank agreed funding(US \$)	3,054,423	0	5,663,016	0	1,046,381	9,763,820
2.2	Support costs for Lead IA(US \$)	229,082	0	424,726	0	78,479	732,287
3.1	Total agreed funding (US \$)	3,054,423	0	5,663,016	0	1,046,381	9,763,820
3.2	Total support cost (US \$)	229,082	0	424,726	0	78,479	732,287
3.3	Total agreed costs (US \$)	3,283,505	0	6,087,742	0	1,124,860	10,496,107
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)						0
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						166.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this agreement (ODP tonnes)						0
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)						0
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)						0.02
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)						140.10
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						0
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						79.70

*Figures based on Article 7 data, which are rounded to one decimal point.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than 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 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 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 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 into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, 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 Lead IA; 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. The National Ozone Office (NOO) of the Ministry of Natural Resources and Environment (MONRE) is responsible for managing and co-ordinating Viet Nam's overall ODS phase-out programme, including all phase-out activities and measures controlling Annex C, Group I substances (HCFCs). The management and implementation of this Agreement will be undertaken by the HPMP Project Management Unit (PMU) which falls under the direct authority of the NOO.

2. The HPMP PMU and the NOO will collaborate and co-ordinate with the Ministry of Industry and Trade (MOIT) and the Customs Bureau to institute and implement the import/control system for HCFCs; review annual HCFC import/export license applications to ensure that the list of end-users are provided by importers/exporters; and establish and publish the annual import quotas for HCFCs for the period 2012 through 2015.

3. In order to monitor and evaluate the progress of Agreement implementation, the PMU will assist the NOO to:

- (a) Develop a management information system that captures and tracks all relevant and required data on the importation of Annex C, Group I substances (HCFCs) on an annual basis;

- (b) Update the data on the actual amount of imported HCFCs in cooperation with the Customs Bureau on a quarterly basis;
- (c) Monitor and report any incidents of illegal import of HCFCs;
- (d) Monitor progress of HCFC phase-out on the demand side by direct oversight of sub-project implementation;
- (e) compile periodic progress reports of HPMP implementation and HCFC phase-out achievements for sharing with MONRE, MOIT, the Customs Bureau and the Ministry of Planning and Investment and its local bureaus; and
- (f) Prepare Tranche Implementation Reports and Plans according to the schedule set forth in Appendix 2-A.

4. MONRE along with its government partner agencies (MOIT, the Customs Bureau and Ministry of Planning and Investment) will be responsible for reviewing PMU reports and data and instituting control and policy measures which facilitate HCFC control and reductions according to the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities including:
 - (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;
 - (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) 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;

- (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 party 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 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.