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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Seventy-fourth Meeting  
Montreal, 18-22 May 2015

**PROJECT PROPOSAL: PACIFIC ISLAND COUNTRIES**

This document consists of the comments and recommendation of the Secretariat on the following project proposal:

Phase-out

- HCFC phase-out management plan for 12 Pacific Island Countries (PIC) (stage I, second tranche)

UNEP

**PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS**  
**Pacific Island Countries**

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (Stage I)	UEDP (lead)	63 <sup>rd</sup>	35% by 2020

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2013	12.97 (metric tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (metric tonnes)								Year: 2013	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					13.8				13.8

(IV) CONSUMPTION DATA (metric tonnes)			
2009 - 2010 baseline:	60.62	Starting point for sustained aggregate reductions:	60.62
CONSUMPTION ELIGIBLE FOR FUNDING (metric tonnes)			
Already approved:	21.22	Remaining:	39.40

(V) BUSINESS PLAN		2015	2016	2017	2018	Total
UNEP	ODS phase-out (ODP tonnes)	1.1			0.2	1.3
	Funding (US \$)	122,040			19,210	141,250

(VI) PROJECT DATA		2011	2012	2013	2014	2015	2016	2017	2018	2020	Total
Montreal Protocol consumption limits		0	0	60.62	60.62	54.56	54.56	54.56	54.56	39.40	n/a
Maximum allowable consumption (ODP tonnes)		0	0	60.62	60.62	54.56	54.56	54.56	54.56	39.40	n/a
Agreed funding (US \$)	UNEP Project costs	873,375	0	0	0	636,525	0	0	0	186,100	1,696,000
	Support costs	113,539	0	0	0	82,748	0	0	0	24,193	220,480
Funds approved by ExCom (US \$)	Project costs	873,375	0	0	0	0	0	0	0	0	873,375
	Support costs	113,539	0	0	0	0	0	0	0	0	113,539
Total funds requested for approval at this meeting (US \$)	Project costs	0	0	0	0	636,525	0	0	0	0	636,525
	Support costs	0	0	0	0	82,748	0	0	0	0	82,748

Secretariat's recommendation:	Blanket approval
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## PROJECT DESCRIPTION

1. On behalf of the Governments of the Cook Islands, Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu (hereinafter referred to as the Pacific Island Countries (PICs)), UNEP as the designated implementing agency, has submitted to the 74<sup>th</sup> meeting a request for funding for the second tranche of stage I of the HCFC phase-out management plan (HPMP), at the amount of US \$636,525, plus agency support costs of US \$82,748. The submission includes a progress report on the implementation of the first tranche and the tranche implementation plan for 2015 to 2020.

### Report on HCFC consumption

#### *HCFC consumption*

2. The Governments of the PICs reported a consumption of 0.70 ODP tonnes of HCFC in 2013. The 2010-2014 HCFC consumption and the established baseline for all PICs is shown in Table 1.

**Table 1. HCFC consumption in the PICs (2010-2014 Article 7 data)**

<b>HCFC-22</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Baseline</b>
<b>Metric tonnes</b>						
Cook Islands	1.15	1.02	0.75	0.37	*	0.86
Kiribati	1.26	0.09	0.51	0.60	0.00**	0.97
Marshall Islands	4.50	4.33	3.73	2.21	1.46	3.99
Micronesia (Federated States of)	3.34	1.17	1.14	0.61	*	2.55
Nauru	0.26	0.11	0.13	0.09	*	0.18
Niue	0.30	0.00	0.00	0.00**	0.00**	0.15
Palau	3.38	3.06	3.00	2.23	2.18	2.97
Samoa	5.70	5.20	2.31	1.97	1.50	4.60
Solomon Islands	41.00	37.00	29.50	3.11	4.77	35.05
Tonga	2.67	1.30	0.94	0.68	0.35	2.55
Tuvalu	1.65	0.20	0.37	0.01	*	1.64
Vanuatu	8.33	1.40	1.08	1.09	*	5.11
<b>Total (metric tonnes)</b>	<b>74.04</b>	<b>54.88</b>	<b>43.46</b>	<b>12.97</b>		<b>60.87</b>
<b>ODP tonnes</b>						
Cook Islands	0.10	0.06	0.04	0.02	*	0.10
Kiribati	0.10	0.01	0.03	0.03	0.00**	0.10
Marshall Islands	0.20	0.24	0.21	0.12	0.08	0.20
Micronesia (Federated States of)	0.20	0.06	0.06	0.03	*	0.20
Nauru	0.00**	0.01	0.01	0.00**	*	0.00**
Niue	0.00**	0.00**	0.00**	0.00**	0.00**	0.00**
Palau	0.20	0.17	0.17	0.12	0.12	0.20***
Samoa	0.30	0.29	0.13	0.11	0.08	0.30
Solomon Islands	2.30	2.04	1.62	0.17	0.26	2.00***
Tonga	0.10	0.07	0.05	0.04	0.02	0.10***
Tuvalu	0.10	0.01	0.02	0.00	*	0.10
Vanuatu	0.50	0.08	0.06	0.06	*	0.30***
<b>Total (ODP tonnes)</b>	<b>4.10</b>	<b>3.04</b>	<b>2.40</b>	<b>0.70</b>		<b>3.60</b>

\*Communication in these countries has been challenging due to cyclone PAM. 2014 consumption data will be updated at the 74<sup>th</sup> meeting.

\*\* Does not indicate complete phase-out but rather very low consumption where rounding of figures to two digits shows zero.

\*\*\*HCFC consumption for 2009 was revised as per decision XXIII/29 of the Meeting of the Parties.

3. The 2013 HCFC consumption of 0.70 ODP tonnes reported under Article 7 is already 81 per cent reduction from the baseline consumption for the PICs. Individual consumption, in all PIC countries, for the same year, is also more than a 35 per cent reduction from the baseline consumption. In particular, significant reductions in 2013 HCFC consumption can be seen in the Marshall Islands, Micronesia (Federated States of), Samoa and Solomon Islands.

*Country programme (CP) implementation report*

4. The Governments of the PICs reported 2013 sector HCFC consumption data under CP implementation report which is consistent with the data reported under Article 7. The 2014 CP data report will be submitted by 1 May 2015.

Progress report on the implementation of the first tranche of the HPMP

*Regional component*

5. UNEP implemented a regional component to further strengthen their ODS legislation and regulations to control imports and exports of HCFC and HCFC-based equipment by providing of policy advice, high level political support, and development of legislation and regulations. These covered the adoption of the World Custom's Organization (WCO) 2012 Harmonized System (HS); registration, application and annual renewal of informal Prior Informed Consent (iPIC); assisting in the development and enforcement of annual HCFC import and export quotas, and annual permit systems for handling, storage and sales of HCFCs. Information materials were also provided to support trade controls of ODS and ODS-reliant technologies.

6. Two regional enforcement training workshops were completed in Fiji (May 2011) and in Tonga (March 2014), held back to back with the meetings of the network of ODS Officers. Around 50 participants (including PIC national ozone unit (NOU) members, customs officers, and resource persons) participated in each of training workshops. The regional workshops were designed as a precursor to the national workshops to be held in each PIC country.

7. UNEP, in cooperation with the Australia-Pacific Technical College, Samoa (APTC), organized two train-the-trainer workshops (Samoa in November 2013 and Fiji in August 2014) on good practices in refrigeration and long term alternative technologies in the refrigeration and air-conditioning (RAC) sector. The objective of these workshops was to develop capacity of trainers who assist the NOU in training in the country.

8. The HPMP also initiated a discussion on a regional approach for the overall management of waste ODS in each country. The NOU and the industry associations are responsible for storage of cylinders, appropriating code of housekeeping practices, and maintaining the inventory of the stored gases until they are destroyed.

*Strengthening ODS legislation and regulations*

9. Each country implemented its own policies and regulations to support HCFC phase-out, focusing on the implementation of the quota system, adoption of the 2012 Harmonised Customs Code, and other actions related to control of HCFC import and export, and domestic use, as summarized in Table 2.

**Table 2: Status of actions on legislation and regulation to support HCFC phase-out**

Country	Adoption of 2012 HS Code	HCFC quota system	Local permit/license requirement for HCFC			Control import/export of HCFC RAC equipment	Others
			Handling	Storage	Sale		
Cook Islands	Yes	Yes	Yes	Yes	Yes	Yes (ban)	Tax disincentive for HCFC (in progress); Member of iPIC
Kiribati	Yes	Yes	Yes	Yes	Yes	In progress	Member of iPIC
Marshall Islands	In progress	Yes	In progress	Yes	Yes	In progress	Member of iPIC
Micronesia (Federated States of)	In progress	Yes	Yes	Yes	Yes	In progress	Tax disincentive for HCFC (in progress); Member of iPIC
Nauru	Yes	Yes	Not in place	Not in place	Not in place	Not in place	Member of iPIC
Niue	Yes	Yes	Not in place	Not in place	Not in place	Not in place	Member of iPIC
Palau	Yes	Yes	Yes	Yes	Yes	Yes (control)	Member of iPIC
Samoa	Yes	Yes	Yes	Yes	Yes	Yes (ban in 2016)	Member of iPIC
Solomon Islands	Yes	Yes	Yes	Yes	Yes	Yes (control)	Tax disincentive for HCFC (effective); Member of iPIC
Tonga	Yes	Yes	Yes	Yes	Yes	Yes (ban in 2016)	Control import/export of HCFC substance (in progress); Member of iPIC
Tuvalu	Yes	Yes	In progress	In progress	In progress	In progress	Control import/export of HCFC substance (in progress); Member of iPIC
Vanuatu	Yes	Yes	Yes	Yes	Yes	Yes (control)	Tax disincentive for HCFC (effective); Member of iPIC

\*iPIC (Informal Prior Informed consent), an initiative led by UNEP

10. Each PIC held a regular three-day training workshop for customs and enforcement officers to strengthen the import and export control of HCFC and HCFC-based equipment. A practical session on the use of refrigerant identifiers was included to familiarize customs officers with the instrument. One day refresher training courses were also conducted to provide updated information and monitor the use of the refrigerant identifiers. A total of 275 customs and other enforcement officers were trained, and an additional 174 trained during the refresher courses as shown in Table 3.

**Table 3: Summary of the national training workshops and refresher training workshops for customs and enforcement officers**

Country	Customs officers (2010 estimate)	National training workshop		Refresher training workshop	
		Workshops	Participants	Workshops	Participants
Cook Islands	13	2	33	1	9
Kiribati	26	1	23	0	0
Marshall Islands	50	1	14	0	0
Micronesia (Federated States of)	53	1	31	3	69
Nauru	6	1	15	0	0
Niue	4	1	22	0	0
Palau	37	1	14	0	0
Samoa	100	1	25	0	0
Solomon Islands	150	2	26	0	0
Tonga	64	1	40	1	62
Tuvalu	11	1	23	1	20
Vanuatu	125	1	9	2	14
<b>Total</b>	<b>639</b>	<b>14</b>	<b>275</b>	<b>8</b>	<b>174</b>

11. UNEP also procured and distributed 16 refrigerant identifiers to the PICs. To ensure sustainability of such workshops, it was agreed that the training on ODS control will be included in the training curriculum for customs officers through the national customs office of each PIC.

*Activities in the refrigeration servicing sector*

12. HCFC-22 is almost the exclusive HCFC used for servicing mainly room air-conditioning, and to a lesser extent display cabinets, condensing units, ice cream freezers and deep freezers, and cold storages.

13. Each PIC country was responsible for implementing three-day training workshops on good practice in RAC servicing and to update the Government policy to phase out consumption of HCFCs. As a result, the capacity of 418 RAC technicians was strengthened, and has ensured good servicing practices for RAC equipment. An additional 195 technicians were also trained during the refresher training workshops as shown in Table 4.

**Table 4: Summary of organization of the national training workshops and refresher training workshops for RAC technicians**

Country	Technicians in country	National training workshop		Refresher training workshop	
		No. of workshops	No. of participants	No. of workshops	No. of participants
Cook Islands	11	1	30	2	17
Kiribati	20	1	30	1	28
Marshall Islands	26	1	14	1	15
Micronesia (Federated States of)	25	1	27	3	41
Nauru	7	1	10	0	0
Niue	3	1	12	0	0
Palau	42	1	45	0	0
Samoa	120	1	87	0	0
Solomon Islands	150	2	66	0	0
Tonga	40	1	40	1	25
Tuvalu	14	1	37	0	0
Vanuatu	100	1	20	2	69
<b>Total</b>	<b>558</b>	<b>13</b>	<b>418</b>	<b>10</b>	<b>195</b>

14. In addition, several sets of basic equipment and service tools were distributed to each of the PICs, as shown in Table 5.

**Table 5: Tools provided to PICs under the HPMP**

Country	Type of equipment and number provided to country			
	Recovery machines	Recovery cylinders	Service toolkits and vacuum pumps	Refrigerant recovery kits
Cook Islands	2	2	25	1
Kiribati	3	9	20	3
Marshall Islands	4	12	26	2
Micronesia (Federated States of)	3	9	25	3
Nauru	3	9	7	3
Niue	4	12	4	4
Palau	2	6	42	2
Samoa	5	15	50	5
Solomon Islands	4	12	70	4
Tonga	4	12	40	4
Tuvalu	3	9	14	3
Vanuatu	5	15	50	5
<b>Total</b>	<b>42</b>	<b>122</b>	<b>373</b>	<b>39</b>

*Other initiatives implemented*

15. Using the regional approach, countries were encouraged to engage in the following activities that have linkages with HPMP or support and sustain HCFC phase-out:

- (a) Pacific Islands (Energy) Labelling Standards (PALS). The PALS Programme is part of multilateral climate change mitigation initiatives under Australia's fast-start finance contribution. The PALS Programme has received regional governmental endorsement; each PIC is engaged as a key stakeholder in the work of the PALS, and supports policy and legislative measures related to RAC technologies;
- (b) Introduction of tax incentives/disincentives. A number of PICs have started to introduce fiscal measures to support the transition to HCFC alternatives. For instance, the Governments of Solomon Islands and Vanuatu have introduced a charge per kilogram of HCFC imported into their countries. The revenues collected will support the licensing system for handling, storage and disposal of refrigerant. The Government of the Cook Islands is working with national stakeholders on placing a levy to establish a trust fund for handling, storage and disposal of HCFC; and
- (c) Asia Development Bank Pacific Islands Energy Efficient Project (PEEP). PEEP could co-finance the replacement of HCFC-22-based RAC equipment with non-ODS and more energy-efficient equipment, which can be synergised with the HPMPs in six of the PICs.

*Project implementation and monitoring unit (PMU)*

16. The regional HPMP was managed by UNEP which established close cooperation and coordination with the South Pacific Regional Environment Programme (SPREP), and the Oceania Customs Organisation (OCO) to prioritise the harmonisation and implementation of the World Customs Organisation (WCO) 2012 HS code for HCFCs in the region. It also built awareness of the importance of HCFC phase-out at the ministerial level through SPREP meetings.

17. The NOU continued to act as the PMU supporting the implementation the HPMP activities in each PIC; it was responsible for all day-to-day management and collaboration with all stakeholders and for coordinating with UNEP to implement the planned activities.

Level of fund disbursement

18. As of March 2015, of the US \$873,375 so far approved, US \$792,272 had been disbursed by UNEP. The balance of US \$81,103 will be disbursed in 2015 (Table 6).

**Table 6. Financial report of stage I of the HPMP for the PICs (US \$)**

Countries	Approved	Disbursed	Disbursement rate (%)
Cook Islands	49,250	44,832	91
Kiribati	53,250	50,304	94
Marshall Islands	54,000	46,862	87
Micronesia (Federated States of)	53,875	52,277	97
Nauru	45,625	41,885	92
Niue	45,625	30,388	67
Palau	62,375	60,552	97
Samoa	76,250	72,477	95
Solomon Islands	110,250	103,865	94
Tonga	64,750	58,701	91
Tuvalu	47,875	44,335	93
Vanuatu	76,250	66,794	88

Countries	Approved	Disbursed	Disbursement rate (%)
<b>Sub-total national HPMP</b>	<b>739,375</b>	<b>673,272</b>	<b>91</b>
Regional (ASP-UNEP)	134,000	119,000	89
<b>Total</b>	<b>873,375</b>	<b>792,272</b>	<b>91</b>

### Implementation plan for the second tranche of the HPMP

19. The Governments of the PICs will implement the activities described in Table 7.

**Table 7. Activities to be implemented under second tranche of HPMP (stage I)**

Activity	Cost (US \$)
<b>Control HCFC supply</b>	
<ul style="list-style-type: none"> <li>Continue enforcing licensing and quota system for HCFCs through ODS legislation in all PICs</li> <li>Enforce the remaining technicians who have not obtained permits, to be licensed by the Government in all PICs</li> <li>Organize refresher training workshops for customs and enforcement officers on an annual basis (including fire and police services) in all PICs</li> </ul>	216,650
<b>Control HCFC demand</b>	
Organize a joint workshop on policy and standards for the RAC Sector and back to back with annual PIC network meeting (2017) (regional component, UNEP)	117,000
Organize national training sessions: <ul style="list-style-type: none"> <li>RAC technicians addressing flammable refrigerant in all PICs</li> <li>Refresher training for RAC technicians on an annual basis in all PICs</li> <li>Collaborating with the RAC Association to facilitate the implementation of HPMP</li> </ul>	227,225
<b>Communication and creating an enabling environment</b>	
<ul style="list-style-type: none"> <li>Awareness of HCFC and HCFC-based equipment for importers, distributors and RAC technicians</li> <li>Communication and organization of meetings with decision makers and officers involving procurement and foreign investment/aid</li> <li>Awareness to police, fire fighting officer and officers involved in transportation and storage of equipment and refrigerant (particularly natural refrigerants)</li> </ul>	75,650
<b>Total</b>	<b>636,525</b>

## SECRETARIAT'S COMMENTS AND RECOMMENDATION

### COMMENTS

#### Report on HCFC consumption

20. All 12 PIC countries have reported 2013 and/or 2014 (preliminary data) consumption that demonstrates a reduction more than 35 per cent from their baselines. A few countries (Marshall Islands, Federated States of Micronesia, Samoa and the Solomon Islands) have shown fluctuations in their HCFC consumption between 2011-2013, as compared to their baseline. UNEP noted that in the Solomon Islands, the decrease in consumption had been acknowledged and is currently being evaluated by the Government; UNEP assured that this is well controlled by the Solomon Island's licensing system. Further, the other countries (Marshall Islands, Federated States of Micronesia and Samoa) have small consumptions levels, thus consumption is influenced by changes in demand from year to year.

#### *Legal framework*

21. In line with decision 63/17, confirmation has been received from the PIC Governments that an enforceable national system of licensing and quotas for HCFC imports and exports is in place and that the system is capable of ensuring compliance with the Montreal Protocol. The HCFC import quota for 2015 has been established at the levels allowed under the Montreal Protocol for each of the 12 PICs.

#### Progress report on the implementation of the first tranche of the HPMP



22. The Secretariat noted the overall successful progress in the implementation of the activities for the PIC regional HPMP. The Secretariat sought clarification on a few issues which included:

- (a) The distinction between support provided through the CAP and regional activities under the PIC HPMP. UNEP explained that these are closely interlinked as oftentimes regional training workshops that are part of the PIC HPMP activities are undertaken jointly with network meetings to manage costs, as well as missions to the countries. However, such costs are closely monitored and charged accordingly;
- (b) The influx of non-fluorinated-based RAC equipment into the countries. UNEP explained that this situation is market-driven. The equipment imported into the PICs that uses these refrigerants is primarily domestic refrigerators operating on hydrocarbons (HC); there are none in the air-conditioning sector as yet; and
- (c) Sustainability of training for service technicians. UNEP informed that many of the PICs do not have national technical colleges, and skills such as refrigeration servicing are learned from the larger PICs, or Australia and New Zealand. In the larger PICs that have technical colleges, the small number of technicians does not sustain full time courses for servicing. Therefore the role of the refrigeration association assumes bigger importance as the continuation of the training in each PIC will be led by these associations.

#### Revision of the HPMP Agreement

23. The HPMP for the PICs was approved prior to the establishment of the HCFC baseline for compliance. Accordingly, in approving the HPMP the Executive Committee requested the Secretariat to, *inter alia*, update Appendix 2-A (“The targets, and funding”) to the Agreement with the figures for the maximum allowable consumption, and to notify the Committee of the resulting levels and of any potential related impact on the eligible funding levels accordingly (decision 63/39(d)). Based on the data reported by the Governments of the PICs under Article 7 and their revised phase-out schedules, the relevant paragraph and Appendices of the Agreement have been updated, and a new paragraph has been added to indicate that the updated Agreement supersedes that reached at the 63<sup>rd</sup> meeting, as shown in Annex I to the present document. The full revised Agreement will be appended to the final report of the 74<sup>th</sup> meeting.

#### Conclusion

24. The Secretariat noted that all 12 PICs are in compliance with the Montreal Protocol in 2013 and continued with progress the activities planned under stage I. All countries have an operational licensing system, and had issued import/export quotas for 2015 at the levels allowed under the Montreal Protocol. Training for enforcement officers and technicians have been completed, and tools to assist good practices in servicing have been procured and delivered. Regional components under UNEP have also been completed, and have contributed to the success of the individual activities implemented in each country. The level of disbursement is over 90 per cent. Therefore, the conditions for release of the second tranche have been met.

#### **RECOMMENDATION**

25. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan of (HPMP) in the Pacific Island Countries (PICs);
- (b) Notes that the Fund Secretariat had updated paragraph 1, Appendices 1-A and 2-A of the Agreement between the Governments of PICs (Federated States of Micronesia, Samoa,

Solomon Islands, Tonga, Vanuatu) and the Executive Committee, based on the established HCFC baseline for compliance, and that a new paragraph 16 had been added to indicate that the updated Agreement superseded that reached at the 63<sup>rd</sup> meeting, as contained in Annex I to the present document;

- (c) Further notes that the revised starting point for sustained aggregate reduction in HCFC consumption was 60.62 metric tonnes, calculated using actual consumption of 47.70 metric tonnes and 74.04 metric tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; and
- (d) Recommends blanket approval of the second tranche of stage I of the HPMP for the PICs, and the corresponding 2015-2020 tranche implementation plans, at the funding levels shown in the table below, on the understanding that if the PICs were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, the PICs would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.

	<b>Project title</b>	<b>Project funding (US \$)</b>	<b>Support cost (US \$)</b>	<b>Implementing agency</b>
	HCFC phase-out management plan (stage I, second tranche):			
(a)	Cook Islands	39,850	5,180	UNEP
(b)	Kiribati	44,850	5,831	UNEP
(c)	Marshall Islands	47,700	6,201	UNEP
(d)	Micronesia (Federated States of)	46,925	6,100	UNEP
(e)	Nauru	20,975	2,727	UNEP
(f)	Niue	20,075	2,610	UNEP
(g)	Palau	45,625	5,931	UNEP
(h)	Samoa	57,400	7,462	UNEP
(i)	Solomon Islands	65,250	8,483	UNEP
(j)	Tonga	49,550	6,442	UNEP
(k)	Tuvalu	34,925	4,540	UNEP
(l)	Vanuatu	57,400	7,462	UNEP
(m)	Regional ASP	106,000	13,780	UNEP
	<b>Total</b>	<b>636,525</b>	<b>82,748</b>	<b>UNEP</b>

**Annex I**

**TEXT TO BE INCLUDED IN THE UPDATED 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 **39.40 metric tonnes** prior to 1 January 2020 in compliance with Montreal Protocol schedules.

16. **This updated Agreement supersedes the Agreement reached between the Governments of 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 at the 63<sup>rd</sup> meeting of the Executive Committee.**

## 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	<b>60.62</b>

### 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)			<b>60.62</b>	<b>60.62</b>	<b>54.56</b>	<b>54.56</b>	<b>54.56</b>	<b>54.56</b>	<b>54.56</b>	<b>39.40</b>	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)			<b>60.62</b>	<b>60.62</b>	<b>54.56</b>	<b>54.56</b>	<b>54.56</b>	<b>54.56</b>	<b>54.56</b>	<b>39.40</b>	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 (UNEP) (US \$)	113,539				82,748					24,193	220,480
3.1	Total agreed funding (US \$)	873,375		0	0	636,525	0	0	0	0	186,100	1,696,000
3.2	Total support cost (US \$)	113,539		0	0	82,748	0	0	0	0	24,193	220,480
3.3	Total agreed costs (US \$)	986,914		0	0	719,273	0	0	0	0	210,293	1,916,480
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (Metric tonnes)											<b>21.22</b>
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (Metric tonnes)											<b>39.40</b>

**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	2.55

**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)			2.55	2.55	2.30	2.30	2.30	2.30	2.30	1.66	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)			2.55	2.55	2.30	2.30	2.30	2.30	2.30	1.66	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)											0.89
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)											1.66

**GOVERNMENT OF SAMOA**

**APPENDIX 1-A: THE SUBSTANCES**

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	<b>4.60</b>

**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)			<b>4.60</b>	<b>4.60</b>	<b>4.14</b>	<b>4.14</b>	<b>4.14</b>	<b>4.14</b>	<b>4.14</b>	<b>2.99</b>	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)			<b>4.60</b>	<b>4.60</b>	<b>4.14</b>	<b>4.14</b>	<b>4.14</b>	<b>4.14</b>	<b>4.14</b>	<b>2.99</b>	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)											<b>1.61</b>
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)											<b>2.99</b>

**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	35.05

**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)			35.05	35.05	31.54	31.54	31.54	31.54	31.54	22.78	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)			35.05	35.05	31.54	31.54	31.54	31.54	31.54	22.78	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 (UNEP) (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 cost (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)											12.27
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (Metric tonnes)											22.78

**GOVERNMENT OF TONGA**

**APPENDIX 1-A: THE SUBSTANCES**

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	<b>2.55</b>

**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)			<b>2.55</b>	<b>2.55</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>1.66</b>	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)			<b>2.55</b>	<b>2.55</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>1.66</b>	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 (UNEP) (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 cost (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)											<b>0.89</b>
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (Metric tonnes)											<b>1.66</b>



**GOVERNMENT OF VANUATU**

**APPENDIX 1-A: THE SUBSTANCES**

Substance	Annex	Group	Starting point for aggregate reductions in consumption (metric tonnes)
HCFC-22	C	I	<b>5.11</b>

**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)			<b>5.11</b>	<b>5.11</b>	<b>4.60</b>	<b>4.60</b>	<b>4.60</b>	<b>4.60</b>	<b>4.60</b>	<b>3.32</b>	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)			<b>5.11</b>	<b>5.11</b>	<b>4.60</b>	<b>4.60</b>	<b>4.60</b>	<b>4.60</b>	<b>4.60</b>	<b>3.32</b>	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 (UNEP) (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 cost (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)											<b>1.79</b>
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22 (Metric tonnes)											<b>3.32</b>

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