



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/84/20
19 November 2019



ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-fourth Meeting
Montreal, 16–20 December 2019

PROGRESS REPORT OF UNIDO AS AT 31 DECEMBER 2018

1. This document presents the progress report of UNIDO as at 31 December 2018.¹

Scope of the document

2. This document consists of the following parts:

Part I: Projects approved under the regular contributions to the Multilateral Fund. It presents a summary of progress in implementation of projects for 2018 and cumulative since 1991 addressing all controlled substances under the Montreal Protocol, including Annex F substances (HFCs); it contains a review on the status of implementation of each ongoing² project at the country level; and it identifies projects with implementation delays and the potential impact on the phase-out of controlled substances, and projects with outstanding issues for consideration by the Executive Committee.

Part II: Projects approved under the additional voluntary contributions for fast start support for HFC phase-down. It provides a status of implementation of HFC phase-down projects funded under the voluntary contributions.

Recommendation.

3. This document also contains the following annexes:

Annex I: A summary status and a recommendation for each ongoing project with outstanding issues for consideration by the Executive Committee.

¹ The progress report is attached to the present document. The data has been included in the Consolidated Progress Report database that is available upon request.

² Ongoing projects are all projects that were under implementation as at 31 December 2018. Key indicators of progress include: percentage of funds disbursed and percentage of projects that have begun disbursing funds; funding expected to be disbursed by the end of the year as a percentage of the approved funding; the average length of projected delay in implementation; and information provided in the remarks column in the progress report database.

Annex II: An analysis of the progress report.

Measurements used in the progress reports

4. Prior to agreement on the Kigali Amendment, all controlled substances under the Montreal Protocol were ozone-depleting substances, measured in ODP tonnes. Controlled substances under the Kigali Amendment are not ozone-depleting substances, and their control targets are measured in mt CO₂-eq. (i.e., consumption in metric tonnes (mt) multiplied by the global warming-potential (GWP) of the substance). Notwithstanding the two different measurements for reporting controlled substances, the progress report of UNIDO submitted to the 84th meeting is based on ODP tonnes for all controlled substances.³

An overview of HFC phase-down activities

5. As of 31 December 2018, the Executive Committee has approved 38 projects (including four investment projects, five project preparation and 29 enabling activities) amounting to US \$9.83 million, in 32 countries. Approved investment projects will phase down 383.8 mt (720,098 mt CO₂-eq.) of HCFs. Regarding enabling activities, extension of the completion dates of 13 of these projects was approved at the 83rd meeting and requests for extension for six others have been submitted to the 84th meeting.

Progress review process by the Secretariat

6. The Secretariat reviewed the status of implementation of each ongoing project on a country-by-country basis taking into account implementation delays that have occurred with respect to planned completion dates that had been reported in 2018, the potential impact of these delays on the phase-out of controlled substances and the rate of planned disbursements. The Secretariat had several discussions with UNIDO, where a number of issues on ongoing projects were raised and subsequently satisfactorily resolved.

PART I: PROJECTS APPROVED UNDER THE REGULAR CONTRIBUTIONS TO THE MULTILATERAL FUND

Summary of progress in implementation of projects for 2018 and cumulative

7. Implementation of projects and activities by UNIDO for 2018 and cumulative since 1991 up to 31 December 2018 is summarized as follows:

- (a) **Phase-out:**⁴ In 2018, 16 ODP tonnes of consumption of controlled substances were phased out and an additional 1,034 ODP tonnes of consumption of controlled substances were approved for phase-out. Since 1991, 62,858 ODP tonnes of consumption of controlled substances and 17,381 ODP tonnes of production of controlled substances had been phased out, of an expected total of 82,438 ODP tonnes from projects approved (excluding cancelled and transferred projects);
- (b) **Disbursements/approvals:** In 2018, US \$25.96 million was disbursed and US \$23.57 million was planned for disbursement based on the 2017 progress report, representing a rate of disbursement of 110 per cent of that planned. Cumulatively, US \$722.15 million had been disbursed out of the total US \$822.33 million approved for disbursement (excluding agency support costs). This represents a rate of disbursement of

³ The issue of the two different measurements of controlled substances is discussed in the consolidated progress report (UNEP/OzL.Pro/ExCom/84/16).

⁴ The phase-out includes approvals for HFC investment projects of 118.7 mt with mt CO₂-eq. of 211,512.

88 per cent. In 2018, US \$27.94 million was approved for implementation;

- (c) **Cost-effectiveness (in ODP):**⁵ Since 1991, the average cost-effectiveness of investment projects approved leading to a permanent reduction in consumption was US \$11.71/kg and for all production sector activities (CFC and methyl bromide (MB)) was US \$2.91/kg. The average cost-effectiveness of investment projects per ODP tonne was US \$7.02/kg for completed projects and US \$39.92/kg for ongoing projects;⁶
- (d) **Number of projects completed:** In 2018, 44 projects were completed. Since 1991, 1,523 projects of the 1,734 projects approved (excluding closed or transferred projects) were completed. This represents a completion rate of 88 per cent;
- (e) **Speed of delivery – investment projects:** Projects that were completed in 2018 were completed on average 57 months after their approval. Since 1991, the average time for completion of investment projects has been 38 months after their approval. First disbursements under these projects occurred, on average, nine months after they had been approved;
- (f) **Speed of delivery – non-investment projects:** Projects that were completed in 2018 were completed on average 38 months after their approval. Since 1991, the average time for completion of non-investment projects has been 36 months after their approval. First disbursements under these projects occurred, on average, ten months after they had been approved;
- (g) **Project preparation:** Of the 510 project preparation activities approved by the end of 2018, 472 have been completed, leaving 38 ongoing. In 2018, two projects have been completed;
- (h) **Implementation delays:** There were a total of 132 ongoing investment projects under implementation at the end of 2018. These projects, on average, are experiencing a delay of 26 months. However, there are four projects classified as “projects with implementation delays” that are subject to the procedures of project cancellation (as project preparation, multi-year agreements (MYAs), and institutional strengthening (IS) are not subject to those procedures); and
- (i) **MYAs:** In 2018, UNIDO was implementing one MYA for ODS phase-out, one MYA for MB production and 75 MYAs for HCFC phase-out management plans (HPMPs). Since 1991, 155 MYAs have been approved and 78 MYAs have been completed.

Project implementation progress in 2018

8. Further to the review process, a number of issues were resolved, except for a number of projects or tranches of MYAs for the phase-out of CFCs or HCFCs; projects for ODS waste disposal; and renewal of IS projects, as shown in Annex I to the present document. For each of these projects, a brief description on the status of implementation and the outstanding issues are presented and a recommendation is proposed for consideration by the Executive Committee.

⁵ Including 118.7 mt of HFC investment projects.

⁶ The higher value of the cost-effectiveness for ongoing projects is largely due to the lower ODP values of HCFCs but also due to the means of assigning phase-out by agencies.

9. Of the 157 ongoing projects, excluding IS and project preparation, 73 projects have revised planned dates of completion since the 2017 progress report.

10. Details of progress in implementation of projects associated with the HPMPs for Argentina,⁷ Bahrain,⁸ China (stage II of XPS foam sector plan),⁹ Côte d'Ivoire,¹⁰ Egypt,¹¹ Iran (Islamic Republic of),¹² Iraq,¹³ the Niger,¹⁴ North Macedonia,¹⁵ Pakistan,¹⁶ Tunisia,¹⁷ and Turkey¹⁸, and reports on projects with specific reporting requirements¹⁹ associated with China (HPMP, CFC phase-out plan, MB phase-out plan, MB production phase-out plan), Libya (HPMP), Mexico (HPMP), Morocco (demonstration project), Qatar (HPMP) and the Eastern Africa and Caribbean regions (low-GWP alternative demonstration project) have been submitted to the 84th meeting. Recommendations for outstanding issues for these projects, including approval of extension requests, if any, are addressed in the relevant sections of these documents. The issues relating to stage I of the HPMPs for Algeria and Saudi Arabia and stage II of the HPMP for Venezuela (Bolivarian Republic of) are addressed in the document on tranche submission delays.²⁰ Outstanding issues for the remaining ongoing projects not included in Annex I to the present document, and requests for extension of date of completion, are addressed below.

11. In line with decision 82/11(c)(ii), the Secretariat noted that renewal of IS projects for Qatar and Syrian Arab Republic have not been submitted for the last two years. UNIDO informed that it is planning to submit those renewal requests in 2020. The main reasons for delays are large balances mainly on account of slow progress in implementation.

12. At its 82nd meeting, upon a request by UNIDO the Executive Committee decided to extend the Tunisia component of the demonstration project for the introduction of trans-critical CO₂ refrigeration technology for supermarkets (Argentina and Tunisia) (GLO/REF/76/DEM/335) to 31 December 2019 (decision 82/22(d)(ii)). UNIDO reported that as a beneficiary enterprise to undertake the demonstration project could not be identified and noting that the Committee had already extended the completion date to the end of 2019, UNIDO has requested the cancellation of this sub-project component. Therefore, the Executive Committee way wish to cancel the Tunisia component of the demonstration project for the introduction of trans-critical CO₂ refrigeration technology for supermarkets, noting that the balances would be returned to the 86th meeting.

13. In line with decision 82/11(b),²¹ UNIDO has requested the extension of the duration of eight projects relating to HPMPs for four countries, implementation of which is beyond the completion date as

⁷ UNEP/OzL.Pro/ExCom/84/39

⁸ UNEP/OzL.Pro/ExCom/84/40

⁹ UNEP/OzL.Pro/ExCom/84/42

¹⁰ UNEP/OzL.Pro/ExCom/84/46

¹¹ UNEP/OzL.Pro/ExCom/84/49

¹² UNEP/OzL.Pro/ExCom/84/51

¹³ UNEP/OzL.Pro/ExCom/84/52

¹⁴ UNEP/OzL.Pro/ExCom/84/55

¹⁵ UNEP/OzL.Pro/ExCom/84/56

¹⁶ UNEP/OzL.Pro/ExCom/84/57

¹⁷ UNEP/OzL.Pro/ExCom/84/60

¹⁸ UNEP/OzL.Pro/ExCom/84/61

¹⁹ UNEP/OzL.Pro/ExCom/84/22 and Add.1

²⁰ UNEP/OzL.Pro/ExCom/84/25

²¹ Any request for an extension would have to be submitted for approval by the Executive Committee in advance of the project completion date, noting that no new commitments were to be made before the extension had been approved.

per their respective Agreements with the Executive Committee; and one metered-dose inhaler project. The reasons for the requests for extension of completion dates for these projects are shown in Table 1.

Table 1. Projects for which an extension of the completion dates have been requested

Country/project code	Project title	Disbursement (%)	Status/Issues	Original date of completion	Date of completion requested
Cameroon CMR/PHA/80/INV/44	HCFC phase-out management plan (refrigeration servicing sector plan) (stage I, fourth tranche)	0	Equipment procurement completed and final obligations are being liquidated	31-12-2018	31-12-2019
Democratic People's Republic of Korea (the) DRK/PHA/73/INV/59	HCFC phase-out management plan (stage I, first tranche) (phase-out of HCFC-141b in polyurethane foam sector at Pyongyang Sonbong and Puhung Building Materials)	22	Implementation subject to United Nations Security Council (UNSC) resolutions	31-12-2019	31-12-2021
Democratic People's Republic of Korea (the) DRK/PHA/73/TAS/60	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing and monitoring)	89			
Democratic People's Republic of Korea (the) DRK/PHA/75/INV/62	HCFC phase-out management plan (stage I, second tranche) (phase-out of HCFC-141b in polyurethane foam sector at Pyongyang Sonbong and Puhung Building Materials)	2			
Democratic People's Republic of Korea (the) DRK/PHA/75/TAS/63	HCFC phase-out management plan (stage I, second tranche) (policy, refrigeration servicing and monitoring)	89			
Democratic People's Republic of Korea (the) DRK/PHA/77/INV/64	HCFC phase-out management plan (stage I, third tranche) (policy, refrigeration servicing and monitoring)	1			
Egypt EGY/ARS/50/INV/92	Phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs)	96	Completion pending Egyptian Health Authorities for marketing approval of the last product; incremental operating costs to be paid upon marketing approval and completion of project	31-7-2018	31-3-2020
Sudan (the) SUD/PHA/80/INV/42	HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector)	39	Remaining training activities for technicians' association and Ozone office to be completed by December 2019	31-12-2018	31-12-2019

14. The Executive Committee may wish to approve the extension, to the date indicated in the last column, of the projects contained in Table 1 to the present document.

PART II: PROJECTS APPROVED UNDER THE ADDITIONAL VOLUNTARY CONTRIBUTIONS FOR FAST START SUPPORT FOR HFC PHASE-DOWN

15. As of 31 December 2018, the Executive Committee had approved 34 HFC-related projects under the additional voluntary contributions amounting to US \$7,863,736 (excluding agency support costs). A summary of the status of these projects is presented in Table 2.

Table 2. HFC-related projects approved in 2018

Type	Number of projects			Funding (US \$)*			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Investment**	3	0	0	3,912,736	785	3,911,951	0
Project preparation	4	3	75	120,000	78,522	41,478	65
Technical assistance - Enabling activities	27	0	0	3,831,000	735,541	3,095,459	19
Total	34	3	9	7,863,736	814,848	7,048,888	10

*Excludes agency support costs.

** Phase out of 265.2 mt (508,586 mt CO₂-eq.) of HFCs.

16. Of the 34 projects approved by the end of 2018, three preparation activities have been completed, leaving 31 ongoing. Ongoing investment projects that include two refrigeration sector projects in Lebanon and Mexico, were approved at the 81st meeting with disbursement in one project; UNIDO confirmed that these projects will be completed on time in 30 June 2020. The enabling activities are at various stages of implementation. Cumulatively, US \$814,848 had been disbursed out of the total US \$7,863,736 approved for disbursement (excluding support costs), representing a disbursement rate of 10 per cent.

Recommendation

17. The Executive Committee may wish:

- (a) To note the progress report of UNIDO as at 31 December 2018 contained in document UNEP/OzL.Pro/ExCom/84/20;
- (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex I to the present document;
- (c) To cancel at the 84th meeting the Tunisia component of the demonstration project for the introduction of trans-critical CO₂ refrigeration technology for supermarkets (Argentina and Tunisia) (GLO/REF/76/DEM/335), noting that the balances would be returned to the 86th meeting;
- (d) To approve the extension, to 31 December 2019, of the HPMP for Cameroon (stage I, fourth tranche) (CMR/PHA/80/INV/44), noting that final disbursement on procurement and related activities would be completed by December 2019;
- (e) To approve the extension, on an exceptional basis, to 31 December 2021, of the HPMP for the Democratic People's Republic of Korea (stage I, first, second and third tranches) (DRK/PHA/73/INV/59, DRK/PHA/73/TAS/60, DRK/PHA/75/INV/62, DRK/PHA/75/TAS/63 and DRK/PHA/77/INV/64);
- (f) To approve the extension, to 31 March 2020, of the phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs) for Egypt (EGY/ARS/50/INV/92) to conclude regulatory approval by health authorities in the country; and
- (g) To approve the extension, to 31 December 2019, of the HPMP for the Sudan, (stage I, third tranche) (SUD/PHA/80/INV/42), noting that activities would be completed by November 2019.

Annex I

ONGOING PROJECTS WITH OUTSTANDING ISSUES IN THE PROGRESS REPORT FOR UNIDO

Country/project code	Project title	Disbursement (%)	Status/Issues	Recommendation
Afghanistan AFG/PHA/79/INV/22	HCFC phase-out management plan (stage I, third tranche)	0	Low disbursement rate of approved funds; implementation plan finalisation delayed.	To request a status report to the 85 th meeting on the level of funds disbursement and progress in implementation
China CPR/ARS/56/INV/473	Sector plan for phase-out of CFCs consumption in MDI sector	98	12 months delays	To request UNIDO to report to the 85 th meeting on this project with implementation delays
Democratic People's Republic of Korea (the) DRK/PHA/73/INV/59	HCFC phase-out management plan (stage I, first tranche) (phase-out of HCFC-141b in polyurethane foam sector at Pyongyang Sonbong and Puhung Building Materials)	22	Implementation subject to United Nations Security Council (UNSC) resolutions	To request a status report to the 85 th meeting on progress in implementation including updates on the resumption of activities
Democratic People's Republic of Korea (the) DRK/PHA/73/TAS/60	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing and monitoring)	89		
Democratic People's Republic of Korea (the) DRK/PHA/75/INV/62	HCFC phase-out management plan (stage I, second tranche) (phase-out of HCFC-141b in polyurethane foam sector at Pyongyang Sonbong and Puhung Building Materials)	2		
Democratic People's Republic of Korea (the) DRK/PHA/75/TAS/63	HCFC phase-out management plan (stage I, second tranche) (policy, refrigeration servicing and monitoring)	89		
Democratic People's Republic of Korea (the) DRK/PHA/77/INV/64	HCFC phase-out management plan (stage I, third tranche) (policy, refrigeration servicing and monitoring)	1		
Egypt EGY/ARS/50/INV/92	Phase-out of CFC consumption in the manufacture of aerosol metered dose inhalers (MDIs)	96		

Country/project code	Project title	Disbursement (%)	Status/Issues	Recommendation
Iraq IRQ/REF/57/INV/07	Replacement of refrigerant CFC-12 with isobutane and foam blowing agent CFC-11 with cyclopentane in the manufacture of domestic refrigerators and chest freezers at Light Industries Company	89	12 months delays	To request a report to the 85 th meeting on this project with implementation delays, noting the extension to 31 December 2019, of the completion date approved at the 82 nd meeting
Lebanon LEB/DES/73/DEM/83	Pilot demonstration project on ODS waste management and disposal	93	Final report and project completion report due for submission to the 84 th meeting in line with decision 82/15(c) not submitted as UNIDO is still planning to export ODSs for destruction; an extension to 30 June 2019 was approved at the 82 nd meeting	To request submission of the final report and the project completion report in line with decision 82/15(c)
Libya LIB/FOA/82/PRP/41	Preparation for HCFC phase-out investment activities (stage II) (foam sector)	0	Implementation slow due to political situation in the country	To request a status report to the 85 th meeting on progress in stage II preparation
Libya LIB/PHA/82/PRP/43	Preparation of a HCFC phase-out management plan (stage II)	0		
Qatar QAT/PHA/73/PRP/21	Preparation of a HCFC phase-out management plan (stage II)	46	Progress slow as national ozone unit (NOU) is not fully functional	To request a status report to the 85 th meeting on progress in preparation and submission of stage II
Qatar QAT/SEV/79/INS/22	Renewal of institutional strengthening project (phase IV: 8/2017-7/2019)	13	Operationalisation of NOU is challenging; discussions on the way forward is underway with NOU	To request a status report to the 85 th meeting on operationalisation of NOU
Saudi Arabia SAU/FOA/62/INV/13	Phase-out of HCFC-22 and HCFC-142b from the manufacture of extruded polystyrene panel at Al-Watania Plastics	18	Equipment procured to be auctioned as enterprise no longer will participate in the project; auction process delayed	To request a status report to the 85 th meeting on the auction process
Somalia SOM/PHA/77/INV/12	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	61	Delay due to security situation in the country	To request a status report to the 85 th meeting on progress in implementation
Somalia SOM/PHA/77/TAS/13	HCFC phase-out management plan (stage I, second tranche) (additional security)	71		

Country/project code	Project title	Disbursement (%)	Status/Issues	Recommendation
Syrian Arab Republic SYR/PHA/55/PRP/97	Preparation of a HCFC phase-out management plan	82	Delay due to security situation in the country	To request a status report to the 85 th meeting on project preparation and proposed date for submission
Syrian Arab Republic SYR/FOA/61/PRP/102	Preparation for HCFC phase-out investment activities (foam sector)	58		
Syrian Arab Republic SYR/REF/62/INV/103	Phase-out of HCFC-22 and HCFC-141b from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels at Al Hafez Group	28	12 months delay; plants were inspected by UNIDO in September 2019 and enterprise is in operation. Project expected to be completed by 31 December 2020	To request a report to the 85 th meeting on this project with implementation delays, noting that the project would be completed by 31 December 2020
Syrian Arab Republic SYR/SEV/73/INS/104	Extension of institutional strengthening (phase V: 1/2015-12/2016)	4	Delay due to security situation in the country	To request a status report to the 85 th meeting on progress in implementation and the level of funds disbursement
United Republic of Tanzania (the) URT/PHA/76/INV/35	HCFC phase-out management plan (stage I, second tranche)	23	Delay due to operational issues relating to approval of implementation plan by Government	To request a status report to the 85 th meeting on progress in implementation
Zambia ZAM/PHA/77/INV/33	HCFC phase-out management plan (stage I, third tranche)	0	Low disbursement rate of approved funds; delay due to operational issues	To request a status report to the 85 th meeting on progress in implementation and the level of funds disbursement
Global GLO/REF/76/DEM/335	Demonstration project for the introduction of trans-critical CO ₂ refrigeration technology for supermarkets (Argentina and Tunisia)	58	Activities delayed due to inability to identify beneficiary in the Tunisia component; activities relating to Argentina component completed	To request final report to the 85 th meeting on the Argentina component, noting that the Tunisia component would be cancelled at the 84 th meeting

Annex II

ANALYSIS OF THE PROGRESS REPORT OF UNIDO AS AT 31 DECEMBER 2018

1. This Annex consists of the following two parts:

Part I: Projects approved under the regular contributions to the Multilateral Fund.

Part II: Projects approved under the additional voluntary contributions for fast start support for HFC phase-down.

PART I: PROJECTS APPROVED UNDER THE REGULAR CONTRIBUTIONS TO THE MULTILATERAL FUND

2. As of 31 December 2018, the Executive Committee had approved US \$928.88 million consisting of US \$822.33 million for the implementation of investment and non-investment projects and US \$106.55 million for agency support costs, as shown in Table 1. In 2018, 62 new projects and activities were approved. This level of funding is expected to result in the phase-out of 82,438 ODP tonnes of consumption and production of controlled substances.

Table 1: Approved funding by sector for UNIDO as at 31 December 2018

Sector	Funding (US \$)
Aerosol	34,413,701
Destruction	3,861,804
Foam	89,036,986
Halon	1,780,369
Fumigants	78,092,525
Multiple sectors	139,440
Other	11,317,246
Phase-out plan	324,163,481
Process agent	6,337,359
Production	50,590,327
Refrigeration	182,262,875
Several	17,085,170
Solvents	23,247,443
Sub-total	822,328,725
Agency support costs	106,551,992
Total	928,880,717

3. A summary of the status of projects implemented by category is presented in Table 2.

Table 2: Status of project implementation by category

Type	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Country programme	11	11	100	722,669	722,669	0	100
Demonstration	43	35	81	23,792,166	21,348,941	2,443,225	90
Institutional strengthening (IS)	82	70	85	12,632,662	10,609,346	2,023,316	84
Investment	886	754	85	741,229,786	650,205,530	91,024,256	88
Project preparation	510	472	93	21,838,778	20,454,633	1,384,144	94

Type	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Technical assistance	179	158	88	20,916,130	17,615,172	3,300,958	84
Training	23	23	100	1,196,535	1,196,533	2	100
Total	1,734	1,523	88	822,328,725	722,152,823	100,175,902	88

*Excludes closed and transferred projects.

**Excludes agency support costs.

4. Table 3 presents an overview of the status of project implementation by year¹. All projects and activities approved between 1993 and the end of 2005, as well as 2007, have now been completed.

Table 3: Status of project implementation by year

Year	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
1993	22	22	100	11,815,540	11,815,540	0	100
1994	52	52	100	30,645,899	30,645,900	-1	100
1995	59	59	100	25,662,092	25,662,092	0	100
1996	46	46	100	19,820,493	19,820,493	0	100
1997	130	130	100	42,083,037	42,083,040	-3	100
1998	88	88	100	23,638,291	23,638,290	1	100
1999	123	123	100	34,140,324	34,140,324	0	100
2000	96	96	100	30,180,752	30,180,751	1	100
2001	119	119	100	24,700,254	24,700,254	1	100
2002	76	76	100	35,992,041	35,992,040	2	100
2003	49	49	100	29,997,305	29,997,305	0	100
2004	44	44	100	33,105,459	33,105,458	1	100
2005	74	74	100	52,035,808	52,035,808	-1	100
2006	44	43	98	20,760,993	20,539,241	221,752	99
2007	42	42	100	24,186,740	24,186,739	1	100
2008	78	75	96	33,437,482	33,066,911	370,571	99
2009	70	68	97	15,409,470	14,669,645	739,825	95
2010	71	65	92	46,729,483	43,977,296	2,752,187	94
2011	72	65	90	76,775,116	70,551,160	6,223,956	92
2012	53	40	75	32,963,759	29,520,448	3,443,311	90
2013	37	34	92	31,167,516	29,924,221	1,243,295	96
2014	57	37	65	28,010,864	24,491,876	3,518,988	87
2015	84	61	73	37,466,033	17,759,958	19,706,075	47
2016	58	12	21	37,184,191	14,409,623	22,774,568	39
2017	28	3	11	16,476,598	5,186,077	11,290,521	31
2018	62	0	0	27,943,186	52,335	27,890,851	0
Total	1,734	1,523	88	822,328,725	722,152,823	100,175,902	88

*Excludes closed and transferred projects.

**Excludes agency support costs.

5. Table 4 presents project implementation by country for 2018.

¹ The data is presented according to the year when a project was approved by the Executive Committee. It treats all approvals (investment and non-investment projects) equally (i.e., an investment project or a funding tranche of an MYA of US \$1 million is considered one project, same as a country programme preparation of US \$30,000). Key indicators from the annual summary are: the percentage of projects completed, ODP phased out, and percentage of funds disbursed. There are three types of disbursements: during implementation, after implementation and for retroactively-financed projects.

Table 4. Summary of project implementation by UNIDO for 2018

Country	Phased out in 2018*	Percentage of planned phase-out achieved in 2018	Estimated funds disbursed in 2018 (US\$)	Funds disbursed in 2018 (US\$)	Percentage of funds disbursed over estimation in 2018	Percentage of planned projects completed in 2018
Afghanistan	0.0		5,001	192	4	
Albania	0.0		29,909	47,865	160	100
Algeria	0.0		990,000	1,009,349	102	0
Argentina	0.0		315,002	450,471	143	100
Armenia	0.0		30,001	76,941	256	
Bahamas (the)	0.0		10,000	131	1	
Bahrain	3.7		17,001	146,991	865	
Benin	0.0		67,001	67,495	101	
Bolivia (Plurinational State of)	0.0		17,000	12,958	76	100
Bosnia and Herzegovina	0.0		93,004	133,189	143	100
Botswana	0.0		35,000	39,450	113	
Brazil	0.0		440,000	407,626	93	
Burkina Faso	0.0		15,000	0	0	
Burundi	0.0		5,000	0	0	0
Cameroon	0.0		149,701	46,347	31	67
Central African Republic (the)	0.0		1	0	0	
Chad	0.0		1	1,173		
Chile	0.0		50,000	154,995	310	
China	0.0		9,316,710	11,302,296	121	86
Congo (the)	0.0		20,000	49,336	247	
Cote d'Ivoire	0.0		20,000	12,871	64	
Democratic People's Republic of Korea (the)	0.0		12,178	19,422	159	
Ecuador	0.0		30,200	31,904	106	
Egypt	3.1	100	508,002	521,482	103	80
Eritrea	0.0		26,000	44,640	172	
Ethiopia	0.0		2,800	1,112	40	
Gabon	0.0		25,000	3,219	13	0
Gambia (the)	0.0		15,000	7,105	47	
Georgia	0.0		13,000	13,094	101	
Grenada	0.0		20,000	1,926	10	
Guatemala	0.0		53,000	66,671	126	100
Guinea-Bissau	0.0		15,000	26,373	176	
Honduras	0.0		33,200	35,824	108	100
Indonesia	0.0		1	1	131	
Iran (Islamic Republic of)	0.0		541,369	178,368	33	
Iraq	0.0		620,003	36,067	6	33
Jordan	0.0		41,600	74,491	179	
Kuwait	0.0	0	2,550,001	2,925,591	115	50
Lebanon	0.0		25,000	17,031	68	0
Libya	0.0		764,001	751,347	98	100
Madagascar	0.0		27,000	24,486	91	
Malawi	0.0		25,000	53,898	216	
Mexico	0.0		622,601	668,517	107	50
Montenegro	0.0		25,001	48,740	195	
Morocco	0.0		205,000	114,496	56	0
Mozambique	0.0	0	20,000	0	0	0
Nicaragua	0.0		19,000	19,944	105	100

Country	Phased out in 2018*	Percentage of planned phase-out achieved in 2018	Estimated funds disbursed in 2018 (US\$)	Funds disbursed in 2018 (US\$)	Percentage of funds disbursed over estimation in 2018	Percentage of planned projects completed in 2018
Niger (the)	0.0		89,001	95,329	107	
Nigeria	4.1		709,001	690,001	97	100
North Macedonia	0.0		73,001	82,524	113	100
Oman	0.0		73,001	157,278	215	100
Pakistan	0.0		576,845	488,946	85	
Qatar	0.0		75,002	30,425	41	
Rwanda	0.0		20,001	0	0	
Saint Lucia	0.0		10,000	0	0	
Saudi Arabia	0.0	0	625,007	1,088,454	174	0
Senegal	0.0		71,000	90,377	127	0
Serbia	0.0		255,302	295,844	116	100
Sierra Leone	0.0		15,001	8,065	54	
Somalia	0.0		43,000	84,182	196	
South Africa	0.0		562,000	1,390,413	247	25
Sudan (the)	4.3	108	486,501	133,721	27	50
Suriname	0.0		10,000	0	0	100
Syria	0.0		120,001	8,370	7	
Togo	0.0		39,000	23,620	61	100
Tunisia	0.8	100	330,002	242,636	74	100
Turkey	0.0		738,887	497,950	67	67
Turkmenistan	0.0		70,002	72,455	104	
Uganda	0.0		20,001	14,967	75	
United Republic of Tanzania (the)	0.0		15,000	879	6	
Uruguay	0.0		25,000	22,492	90	
Venezuela (Bolivarian Republic of)	0.0		160,801	203,104	126	100
Yemen	0.0		5	0	6	
Zambia	0.0		2	3,800		
Global	0.0		427,002	510,177	119	50
Region: ASP	0.0		30,001	42,498	142	
Region: EUR	0.0		40,000	34,066	85	
Total	16.0	11	23,573,656	25,957,997	110	61

* No phase-out in 2018 for HFC-related projects.

6. Table 5 presents a summary of HFC-related projects approved under regular contributions.

Table 5. HFC-related projects approved under regular contributions

Type	Number of projects			Funding (US \$)*			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Investment**	1	0	0	1,637,610	0	1,637,610	0
Project preparation	1	0	0	75,000	0	75,000	0
Technical assistance - Enabling activities	2	0	0	250,000	0	250,000	0
Total	4	0	0	1,962,610	0	1,962,610	0

*Excludes agency support costs.

** 118.7 mt was approved for investment projects with mt CO₂-eq. of 211,512.

7. There are currently four HFC-related projects (including one investment, one preparation and two enabling activities) approved under regular contributions at a total value of US \$1,962,610. Funds have not

been disbursed for these projects. The investment project related to the refrigeration sector in Jordan approved in June 2018 is progressing and UNIDO confirmed that it will complete on time. Regarding enabling activities, the projects are progressing and are at various stages of implementation.

PART II: PROJECTS APPROVED UNDER THE ADDITIONAL VOLUNTARY CONTRIBUTIONS FOR FAST START SUPPORT FOR HFC PHASE-DOWN

8. As of 31 December 2018, the Executive Committee had approved 34 HFC-related projects under the additional voluntary contributions amounting to US \$7,863,736 (excluding agency support costs). A summary of the status of these projects is presented in Table 6.

Table 6. HFC-related projects approved in 2018

Type	Number of projects			Funding (US \$)*			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Investment**	3	0	0	3,912,736	785	3,911,951	0
Project preparation	4	3	75	120,000	78,522	41,478	65
Technical assistance - Enabling activities	27	0	0	3,831,000	735,541	3,095,459	19
Total	34	3	9	7,863,736	814,848	7,048,888	10

*Excludes agency support costs.

** Phase-out of 265.2 mt (508,586 mt CO₂-eq.) of HFCs.

9. Of the 34 projects approved by the end of 2018, three preparation activities have been completed, and three investment projects are under implementation. The enabling activities are at various stages of implementation. Cumulatively, US \$814,848 had been disbursed out of the total US \$7,863,736 approved for disbursement (excluding support costs), representing a disbursement rate of 10 per cent.



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

UNIDO Progress and Financial Report 2018

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I. Project Approvals and Disbursements

Annual summary data

- 1) Table 1 “Annual Summary” in the Excel file includes the most relevant annual data, such as number of approvals, corresponding ODP (wherever applicable), approved funding, adjustment and disbursement characteristics. The cumulative funds for the period 1993-2018 approved for UNIDO activities under the Multilateral Fund amount to US\$ 822,328,725, excluding agency support cost, the core unit funding and projects funded by the additional contributions for implementation of the Kigali Amendment. This amount, however, includes the adjustments made until end 2018. The details are contained in the attached database (Annex II in the Excel file). In this annex, the data are sorted by regions and within each region the completed, financially completed; ongoing and closed (cancelled) projects are listed.
- 2) From 2017 a total of US\$ 7,863,736 were approved for UNIDO activities from the additional contributions to provide fast-start support for implementation of the Kigali Amendment. The details are contained in the attached database (Annex IIa in the Excel file)
- 3) As of 31 December 2018, UNIDO’s cumulative disbursement for all projects (completed and ongoing) amounts to US\$ 722,152,823 excluding agency support cost, core unit funding and disbursements in projects funded by additional contributions. This corresponds to a delivery rate of 88 per cent. Out of this amount, US\$ 650,205,529 relate to cumulative disbursement for investment projects (Table 2, “Summary Data by Project Type” in the Excel file).

Interest

- 4) The interest earned for the period 1993 – 2018 amounts to US\$ 39,278,646 and is shown by years in the Table 1 “Annual Summary” in the Excel file. The interest earned in 2018 amounts to US\$ 1,133,185.

Summary data by type

- 5) The cumulative activities of UNIDO approved by the Multilateral Fund are listed in Annex II in the Excel file. The following table summarizes their breakdown by types.

Type	Approved Funding US\$*	Share of portfolio in per cent	Number of projects* *	Share of portfolio in per cent
CPG (Country Programme Preparation)	815,000	0.10%	11	0.63%
DEM (Demonstration projects)	26,091,990	3.14%	43	2.48%
INS (Institutional strengthening)	12,647,405	1.52%	82	4.73%
INV (Investment projects)	743,748,709	89.53%	886	51.10%
PRP (Project preparation)	24,420,052	2.94%	510	29.41%
TAS (Technical Assistance)	21,727,040	2.62%	179	10.32%
TRA (Training)	1,249,459	0.15%	23	1.33%
Total (excluding agency support cost)	830,699,655	100%	1,734	100%

* These figures are without adjustments, which are in total US\$ -8,370,930.

** Excluding Closed and Transferred Projects.

- 6) Table 2 “Summary of Data by Project Type” in the Excel file, shows approvals, adjustments and disbursements by type of project/activity. In 2018 UNIDO’s overall disbursement rate (excluding agency support cost) was 88%. Disbursements by activity type and as percentage of activity allocations are summarized as follows:

Type	Funds Disbursed US\$	Disbursement rate in per cent
CPG (Country Programme Preparation)	722,669	100%
DEM (Demonstration projects)	21,348,941	90%
INS (Institutional strengthening)	10,609,346	84%
INV (Investment projects)	650,205,529	88%
PRP (Project preparation)	20,454,633	94%
TAS (Technical Assistance)	17,615,172	84%
TRA (Training)	1,196,533	100%
Total (excluding agency support cost)	722,152,823	88%

Multi-Year Agreements

In the reporting year, two new multi-year performance based projects were approved for UNIDO’s implementation, the Stage II HCFC Phase-out Management Plan in Cameroon and Nigeria.

- 7) As shown in Annex II in the Excel file, UNIDO has been implementing hundred-fifty-five performance-based, multi-year agreements. Eighty nine of these agreements are HCFC Phase-out Management Plans (Afghanistan, Albania, Algeria, Argentina (2), Bahamas, Bahrain, Benin, Bolivia, Bosnia & Herzegovina, Botswana, Brazil, Burkina Faso, Burundi, Cameroon (2), Central African Republic, Chad, Chile, China (2x2), Congo (Rep. of), Cote d’Ivoire, Croatia, DPR Korea, Ecuador, Egypt (2), Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Granada, Guinea-Bissau, Guinea, Guatemala, Honduras, Indonesia, Iran (2), Iraq, Jordan (2), Kuwait, Libya, Macedonia, Madagascar, Malawi,

Mexico (2), Montenegro, Morocco, Mozambique, Myanmar, Nicaragua, Niger, Nigeria (2), Oman (2), Pakistan (2), Philippines, Qatar, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, Saudi Arabia, Senegal, Serbia, Sierra Leone, Somalia, South Africa, Sudan (2), Suriname, Tanzania, Togo, Tunisia, Turkey, Turkmenistan, Uganda, Venezuela (2), Yemen and Zambia).

Sector phase out by country

The activities listed in the table below are the ONGOING projects with sectors (excluding HCFCs) by countries for which total phase-out has been funded.

#	Country	Project Title	ODS	Multi-year (yes/no)	Phase-out in sector
1.	China	MDI phase-out	CFC	No	Total
2.	Egypt	CFC phase-out in the MDI sector	CFCs	No	Total
3.	Iraq	National ODS Phase Out Plan	CFC, Halon, CTC, TCA	Yes	Total

In 2018 the below listed projects were completed:

- National methyl bromide phase-out plan in China;
- Technical assistance on two alternatives to methyl bromide in the palm date sector in Egypt;
- National phase-out of methyl bromide in Guatemala;
- Technical assistance for the Methyl Bromide phase-out in Iraq;
- Technical assistance for the final phase-out of methyl bromide in the post-harvest sector in Sudan.

The National phase-out plan in Yemen was cancelled at the 82nd ExCom.

- 8) Information on funded ODP phase-out by region/country for ongoing projects is given in Table 3 “ODP Phase-out by Region, Country and Sector – Ongoing Projects” in the Excel file

Ongoing projects	
Sector	ODP tonnes
Aerosols	482
Foams	72.8
Phase-out	4,406.9
Refrigeration	325.2
Total	5,286.9

- 9) As per Table 3a “ODP Phase-out by Region, Country and Sector – Completed Projects” in the Excel file, until end of the reporting period, UNIDO eliminated 77,615 ODP tonnes

(excluding partial phase-out of ongoing projects). ODP phase by sector is summarized in the below table.

Completed projects	
Sector	ODP tonnes
Aerosols	3,683
Foams	13,074
Fumigants	5,612
Halons	2,003
Other (Tobacco)	1,170
Process agents	908
Phase-out	13,076
Production	17,381
Refrigeration	18,475
Several	39
Solvents	2,194
Total	77,615

- 10) Partial ODP phase out is reported in Table 3b “Partial ODP Phase-out by Sector, Region, Country” and in Annex II in the Excel file.
The partial phase-out achieved in 2018 is 8 ODP tonnes for phase-out sector.

II. Project Completion since last Report

ODP phased out since last report - investment projects

- 11) As per Table 4 in the Excel file, the cumulative ODP phase out through investment projects completed in the reporting period (1 January – 31 December 2018) amounts to 749.9 ODP tonnes. In addition, 8 ODP tonnes were partially phased-out from ongoing projects. The details are shown in Table 3b and Table 4 in the Excel file. Table 4 in the Excel file lists all investment, demonstration, technical assistance and institutional strengthening projects completed in 2018.

Non-investment project completions since last report

- 12) Since the last report, 19 non-investment projects, with approved funding of US\$ 3,433,499 were completed: 11 in Africa, 4 in Asia and the Pacific, 3 in Europe, and the Core Unit Funding.

III. Global and Regional Project Highlights

Global Projects

- 13) Core Unit Funding for the year 2019 was approved in December 2018. The core unit funding for the year 2018 that was approved in 2017 for UNIDO as a global project in the amount of US\$ 2,069,385 was completed in December 2018.
- 14) The following global projects have been ongoing in the reporting year:
 - Demonstration project on refrigerant quality, containment and introduction of low-global warming potential alternatives (Eastern Africa and Caribbean regions)
 - Global chiller replacement project (Argentina)
 - Demonstration project for the introduction of trans-critical CO₂ refrigeration technology for supermarkets (Argentina and Tunisia)

Regional Projects

- 15) The below regional project has been ongoing in Asia in the reporting year:
 - Promoting alternative refrigerants in air-conditioning for high ambient countries in West Asia (PRAHA-II);

IV. Performance Indicators

Business Plan Performance Goals as decided by the Executive Committee

- 16) The 71st Meeting of the Executive Committee in December 2013 reviewed and modified the performance indicators established by earlier decisions. The new weightings, based on Decision 71/28, are indicated in the below table.
- 17) The targets and achievements for the year 2018 performance indicators approved during the 80th Meeting of the ExCom are indicated below.

A1. Planning – Approvals

- 18) Tranches approved: Number of tranches approved vs. those planned

In 2018, 22 tranches were approved in total against the updated target of 33. The original target was 42, however, the below projects were not approved beyond UNIDO's control:

- As reported to the 82nd Meeting of the Executive Committee under the tranche submission delays, UNIDO was ready for submission of the following tranches: Antigua, Cote d'Ivoire, Guinea (lead agency was not ready), Algeria, Niger, Iraq, Qatar and Venezuela (not submitted due to Government delays).
- The 3rd tranche of the Stage II XPS sector plan for China (Decision 82/71) was submitted to the ExCom, but was not approved, although all requirements specified in the agreement have been met.

Out of the 22 tranches approved, 20 are tranches of existing multi-year projects. In addition, 2 tranches were approved for the new multi-year projects of Stage II in Cameroon and Nigeria.

- 19) Projects/activities approved: Number of projects/activities approved vs. those planned (including project preparation activities)

During 2018, 52 individual projects were approved against the originally agreed target of 52. However the target should be updated to 43 taking into account the projects not approved for reasons beyond UNIDO's control:

- The Enabling Activity project for the Democratic Republic of the Congo was not submitted because the country decided to work with another agency.
- The Preparations for HPMP Stage II projects for Equatorial Guinea, Eritrea, Sierra Leone, Nicaragua and Kuwait were not submitted as per decision from lead agency.
- The Preparation for HPMP Stage II project for Sao Tome was submitted and approved only for the lead agency.
- The 2 HFC Demonstration projects for Ecuador were submitted but not approved by the Executive Committee (Decision 82/78).

The approvals include 5 renewals of institutional strengthening projects (Armenia, Egypt, Libya, Mexico and Oman) and 16 technical assistance projects (11 enabling activities projects, 4 verification projects and 1 global project for UNIDO's 2019 Core Unit Funding).

A2. Implementation

20) Funds disbursed: Based on estimated disbursement in Progress Report

During 2018 the funds disbursed as per IPSAS were US\$ 25,682,439 against the estimated disbursements for year 2018 established in the Progress Report for year 2017 of US\$ 23,573,657.

21) ODS phased-out: ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans

Altogether 472 ODP tonnes can be recorded as achievements compared to an adjusted target of 648.94 ODP tonnes for all MYA projects approved in 2018. The original target of 842.5 ODP tonnes was adjusted in the final prorated business plan to 826.7 ODP tonnes. In addition 177.76 ODP tonnes need to be deducted from the target as explained in section 18 due to the non-submission and/or non-approval of several tranches beyond UNIDO's control.

22) Project completion for activities: Project completion vs. planned in progress reports for all activities (excluding project preparation)

During 2018 UNIDO completed 45 projects against the target of 57.

23) The performance indicators with the weightings are summarized in the following table:

Performance indicators: Targets and achievements in 2018

Type of Indicator	Short title	Calculation	Weighting	Target 2018	Achievement 2018
Planning-- Approval	Tranches approved	Number of tranches approved vs. those planned	10	33*	22
Planning-- Approval	Projects/ activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	10	43**	52
	Sub-total		20		
Implementation	Funds disbursed	Based on estimated disbursement in progress report (USD)	15	23,573,657 US\$***	25,745,440 US\$
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	25	648.94 ODP tonnes****	472 ODP tonnes
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excl. project preparation)	20	57	45

Type of Indicator	Short title	Calculation	Weighting	Target 2018	Achievement 2018
	Sub-total		60		
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	10	12 months after operational completion	12 months
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	5	On time	On time
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	5	On time	On time or as agreed

* The original target was 42, however, as reported to the 82nd Meeting of the Executive Committee under the tranche submission delays, UNIDO was ready for submission of the following tranches: Antigua, Cote d'Ivoire, Guinea (lead agency was not ready), Algeria, Niger, Iraq, Qatar and Venezuela (not submitted due to Government delays). The 3rd tranche of the Stage II XPS sector plan for China (Decision 82/71) was submitted to the ExCom, but was not approved.

** The subject target should be reduced from 52 to 43 taking into account the projects not approved for reasons beyond UNIDO's control: the Enabling Activity project for the Democratic Republic of the Congo was not submitted because the country decided to work with another agency; the Preparations for HPMP Stage II projects for Equatorial Guinea, Eritrea, Sierra Leone, Nicaragua and Kuwait were not submitted as per decision from lead agency; the Preparation for HPMP Stage II project for Sao Tome was submitted and approved only for the lead agency; the HFC Demonstration projects for Ecuador were submitted but not approved by the Executive Committee (Decision 82/78).

***The original target of US\$ 25,351,715 has been adjusted to the estimated disbursements for 2018 provided in the 2017 Progress and financial report.

**** The original target of 842.5 ODP tonnes was adjusted in the final prorated business plan to 826.7 ODP tonnes. In addition 177.76 ODP tonnes need to be deducted from the target due to the non-submission and/or non-approval of several tranches beyond UNIDO's control as stated in section 18.

In addition to the above, UNIDO's approvals in 2018 amounted to US\$ 27,943,186 plus US\$ 5,437,736 from additional contributions for HFC activities (excluding agency support costs).

Cumulative completed investment projects

24) Since 1993, UNIDO's cumulative number of completed investment projects has grown to 754. Out of a total of US\$ 526,177,611 of approved funding including adjustments. The average number of months from approval to first disbursement was 9.2 months. The average number of months from approval to completion was 37.6 months. The cost effectiveness of completed projects is US\$ 7.02/kg. Table 5 "Cumulative completed investment projects by region, sector and implementation characteristics" in the Excel file illustrates more details, presenting information both on a regional and on a sector basis. The vast majority of completed investment projects have been implemented with disbursements of funds during implementation; only ten retroactively funded projects were implemented by UNIDO.

Cumulative completed non-investment projects

- 25) Since 1993, UNIDO's cumulative number of completed non-investment projects is 297. Out of a total of US\$ 48,123,147 approved funding, 99 per cent of funds have been disbursed. Except for 70 institutional strengthening projects, all UNIDO completed non-investment projects were objective-sensitive. Table 6 "Cumulative completed non-investment projects by region, sector and implementation characteristics" in the Excel file provides details according to geographic region and sectors.

Cumulative ongoing investment projects

- 26) By the end of 2018, UNIDO's cumulative portfolio of ongoing investment, demonstration and recovery and recycling projects contained 132 projects. Of the US\$ 210,656,117 approved budget, 58 per cent has been disbursed. It took an average of 9.5 months from approval to first disbursement. The Africa region had 53 ongoing projects, Asia and the Pacific 47 ongoing projects, Europe 11 ongoing projects and Latin America and the Caribbean 21 ongoing projects. Table 7 "Cumulative ongoing investment projects by region, sector and implementation characteristics" in the Excel file illustrates the implementation characteristics among regions and sectors for UNIDO's ongoing investment projects. The ongoing projects are objective sensitive and the disbursement of funds takes place during implementation.

Cumulative ongoing non-investment projects

- 27) At the end of 2018, UNIDO's cumulative portfolio of ongoing non-investment projects consisted of 41 projects. Out of a total of US\$ 10,333,557 of approved funding, 35 per cent has been disbursed. The ongoing non-investment projects include 21 Technical Assistance projects, 12 Institutional Strengthening projects and 8 Demonstration projects. Table 8 "Cumulative ongoing non-investment projects by region, sector and implementation characteristics" in the Excel file illustrates details, presenting the projects according to regions, sectors and types. In addition UNIDO is implementing 27 Technical Assistance projects funded by additional contributions for the Kigali Amendment.

V. Status of Agreements and Project Preparation by Country

Agreements to be signed/executed/finalized and ready for disbursing

- 28) As soon as a project is approved by the Executive Committee and after having notified the respective authorities, UNIDO secures officially from the recipient country's Ozone and project authorities, validity/confirmation of basic project data, such as actual ODS consumption; validity of counterpart commitment, etc., since by this time, a substantial period of time might have elapsed from the time of formulation of the project, and the projects, in most cases, are adjusted as a result of the negotiations during the approval process. After this, wherever it is required by the Country, UNIDO prepares and signs with the Ozone Authorities the agreement of cooperation. UNIDO prepares detailed Terms of Reference (TOR) for services to be rendered under the project. The TOR and the list of potential suppliers are approved by the counterpart. The bidding and subcontracting takes place based on the mutually agreed TOR. The first payment is due upon entry into force of the first contract. Even if the first payment is released, as per the IPSAS, disbursements are not reflected until after services have been delivered. Under UNSAS, any payment outflow was recorded as disbursement. The above-illustrated preparatory work explains, for multi-year programmes, investment, demonstration and recovery and recycling projects, the time elapsing between project approval and first disbursement.

Project preparation by country, approved amount and amounts disbursed

- 29) As of the end of 2018, UNIDO had on-going project preparation in 32 countries with approved funding amounting to US\$ 1,557,250 out of which US\$ 176,720 has been disbursed. In addition one project preparation for HFC investment project in China was approved and ongoing in 2018.

The list and details of active project preparation accounts are shown in Table 9 "Active project preparation accounts" in the Excel file.

Activities related to the phase-out of HCFCs

- 30) UNIDO is lead agency or only implementing agency for altogether 33 **Stage I HPMPs**. These MYAs/projects are listed below:

#	Mtg	Country	Main / Cooperating agency
1.	64	Albania	UNIDO lead agency with UNEP
2.	66	Algeria	UNIDO only impl. Agency
3.	66	Argentina	UNIDO lead agency with World Bank
4.	74	Bolivia	UNIDO only impl. agency
5.	66	Bosnia & Herzegovina	UNIDO only impl. Agency
6.	64	Cameroon	UNIDO only impl. Agency
7.	64	China – RAC sector	UNIDO only impl. Agency
8.	64	China – XPS sector	UNIDO lead agency with GIZ
9.	73	Democratic People's Republic of Korea	UNIDO lead agency with UNEP
10.	65	Ecuador	UNIDO lead agency with UNEP
11.	65	Egypt	UNIDO lead agency with UNDP
12.	64	Guatemala	UNIDO lead agency with UNEP
13.	63	Honduras	UNIDO lead agency with UNEP
14.	65	Jordan	UNIDO lead agency with WB
15.	75	Libya	UNIDO only impl. agency
16.	60	Macedonia, FYR	UNIDO only impl. agency
17.	64	Mexico	UNIDO lead agency with UNDP
18.	63	Montenegro	UNIDO only impl. Agency
19.	65	Morocco	UNIDO only impl. Agency
20.	66	Niger	UNIDO lead agency with UNEP
21.	65	Oman	UNIDO lead agency with UNEP
22.	62	Pakistan	UNIDO lead agency with UNEP
23.	65	Qatar	UNIDO lead agency with UNEP
24.	68	Saudi Arabia	UNIDO lead agency with UNEP
25.	65	Senegal	UNIDO lead agency with UNEP
26.	62	Serbia	UNIDO lead agency with UNEP
27.	67	Somalia	UNIDO only impl. Agency
28.	67	South Africa	UNIDO only impl. Agency
29.	66	Sudan	UNIDO only impl. Agency
30.	72	Tunisia	UNIDO lead agency with UNEP and France

#	Mtg	Country	Main / Cooperating agency
31.	62	Turkmenistan	UNIDO only impl. Agency
32.	68	Turkey	UNIDO lead agency with UNEP
33.	63	Venezuela	UNIDO lead agency with UNEP

Furthermore, UNIDO is co-implementing agency for the **Stage I HPMPs** for the following countries with the below agencies:

- UNEP: Afghanistan, Bahamas, Bahrain, Benin, Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Congo (Rep. of), Cote d'Ivoire, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Grenada, Guinea, Guinea-Bissau, Iraq, Kuwait, Madagascar, Malawi, Mozambique, Myanmar, Nicaragua, Philippines, Rwanda, Saint Lucia, St. Vincent and the Grenadines, Sierra Leone, Suriname, Tanzania, Togo, Uganda, Yemen and Zambia;
- UNDP: Indonesia, Iran and Nigeria;

Outstanding **Stage I HPMPs**:

- Stage I HPMP PRP activities could still not be finalized in Syria due to the security situation in the country.

Completed **Stage I HPMPs**:

- Croatia, implemented by UNIDO.

31) UNIDO is involved in **ongoing Stage II HPMPs** as only, lead or cooperating implementing agency in the following countries and sectors:

	Mtg	Country	Main / Cooperating agency
1.	79	Argentina	UNIDO lead w. Italy
2.	75	Brazil	UNDP/UNIDO/Germany/Italy
3.	82	Cameroon	UNIDO only impl. Agency
4.	76	Chile	UNDP lead agency w. UNIDO
5.	77	China- RAC Sector	UNIDO lead w. Italy
6.	77	China – XPS sector	UNIDO lead agency with GIZ
7.	79	Egypt	UNIDO lead agency/UNDP/UNEP/Germany
8.	77	Iran	UNDP/UNEP/UNIDO/Germany
9.	77	Jordan	World Bank lead w. UNIDO
10.	73	Mexico	UNIDO lead agency w. Germany, Italy, Spain and UNEP
11.	81	Nigeria	UNDP lead agency w. UNIDO
12.	75	Oman	UNIDO lead agency w. UNEP
13.	76	Pakistan	UNIDO lead agency w. UNEP
14.	75	Sudan	UNIDO only impl. Agency
15.	76	Venezuela	UNIDO lead agency w. UNDP

ODS destruction demonstration projects

- 32) The demonstration project for disposal of unwanted ODS in Nigeria was completed in 2018. The Pilot demonstration project on ODS waste management and disposal is under implementation in Lebanon.

Climate impact of Montreal Protocol activities

- 33) In the selection of alternative technologies to replace ODS, energy efficiency, has been taken into account since the first investment projects, from early 1990s in UNIDO. In the recent years, the introduction of low Global Warming Potential and high energy efficiency alternatives has gained high attention to achieve additional climate benefits in the ODS phase-out process. UNIDO has been looking into the assessment of climate impacts of the MP activities in order to respond to the needs of Dec XIX/6 of the Meeting of the Parties. In Decision 72/40 (May 2014) bilateral and implementing agencies have been encouraged to submit proposals for demonstration projects for low GWP alternatives to HCFCs in the refrigeration and air-conditioning subsectors and feasibility studies, including business cases for district cooling.
- 34) During the reporting period, the following demonstration projects were ongoing:
- Demonstration project on the use of low cost pentane foaming technology for the conversion to non-ODS technologies in polyurethane foams at small and medium enterprises (Morocco)
 - Promoting alternative refrigerants in air-conditioning for high ambient countries in West Asia (PRAHA-II)
 - Demonstration project on refrigerant quality, containment and introduction of low-global warming potential alternatives (Eastern Africa and Caribbean regions)
 - Global chiller replacement project (Argentina)
 - Demonstration project for the introduction of trans-critical CO₂ refrigeration technology for supermarkets (Argentina and Tunisia)
 - Demonstration project for the phase-out of HCFCs by using HFO as foam blowing agent in the spray foam applications in high ambient temperatures (Saudi Arabia)
 - Demonstration project on promoting HFO-based low-global warming potential refrigerants for air-conditioning sector in high ambient temperatures (Saudi Arabia)
 - Pilot demonstration project on ODS waste management and disposal (Lebanon)

The associated projects listed below were completed during 2018:

- Feasibility study addressing district cooling (Egypt)
- Demonstration project on the technical and economic advantages of the vacuum assisted injection in discontinuous panels plant retrofitted from HCFC-141b to pentane (South Africa)

Activities related to HFC phase down

- 35) In 2018 additional 11 enabling activities projects were approved for UNIDO to provide fast-start support for implementation of the Kigali Amendment bringing the number of countries being supported by UNIDO with enabling activities to 29.
In addition, in 2018 5 investment projects for conversion from HFCs were approved for UNIDO in Argentina, Jordan, Lebanon and Mexico (2).
Details on UNIDO HFC projects can be found in the Excel file in Annex II and Annex IIa for HFC projects funded by additional contributions.

VI. Administrative Issues (Operational, Policy, Financial and Other Issues)

Meetings attended

36) UNIDO attended/participated in the following meetings in 2018:

#	Meeting	Location	Dates
1.	Inter-Regional Thematic and Network Meetings for National Ozone Officers	Paris, France	January
2.	Inter-Agency Coordination Meeting	Montreal, Canada	March
3.	Joint Meeting of National Ozone Officer Networks of South Asia, South-East Asia, and West Asia, back-to-back with the Ozone2Climate Industry Roadshow	Beijing, China	April
4.	ATMOsphere, Business Case for Natural Refrigerants	Beijing, China	April
5.	Joint Anglophone and Francophone Network meeting of National Ozone Officers	Gaborone, Botswana	May
6.	Meeting with the MLF Secretariat on Refrigeration Servicing Sector	Montreal, Canada	May
7.	81 st Executive Committee Meeting	Montreal, Canada	June
8.	Europe & Central Asia (ECA) Meeting of Montreal Protocol and Refrigeration & Air-Conditioning (RAC) Experts	Valencia, Spain	June
9.	Latin America Network Meeting of National Ozone Officers	Guatemala city, Guatemala	June
10	40 th Meeting of the Open-ended Working Group of the Parties (OEWG)	Vienna, Austria	July
11	60 th Meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol (ImpCom)	Vienna, Austria	July
12	2nd International Stakeholders Workshop on the Refrigeration Servicing Sector	Paris, France	July
13	Inter-Agency Coordination Meeting	Montreal, Canada	September
14	Agencies coordination meeting and celebration Event for Ozone Day	Beijing, China	September
15	Workshop on compliance capacity building and workshop on Distributed Cooling and Heating (organized by Sweden and China)	Beijing, China	September
16	Europe and Central Asia Annual meeting of Ozone Officers	Antalya, Turkey	October
17	30 th Meeting of the Parties (MOP)	Quito, Ecuador	November

#	Meeting	Location	Dates
18	Joint Regional Network Meeting of Ozone Officers for Latin American and the Caribbean	Quito, Ecuador	November
19	61 st Meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol (ImpCom)	Quito, Ecuador	November
20	82 nd Executive Committee Meeting	Montreal, Canada	December

Implementing agency and other cooperation

- 37) Cooperation with UNDP and the World Bank:
Several ongoing HPMP activities in different countries and regions are being implemented together with UNDP and/or the World Bank, among others the following Stage I HPMPs: Argentina, Bolivia, Egypt, Indonesia, Iran, Jordan, Nigeria, Mexico and Stage II HPMP in Brazil, Chile, Egypt, Iran, Jordan, Nigeria and Venezuela.
- 38) Cooperation with UNEP: UNIDO has been implementing 59 HPMPs together with UNEP until 2018. In 2018 10 tranches of ongoing HPMPs were approved with UNEP as lead or co-implementing agency in Albania, Botswana, Burundi, Chile, Ecuador, Guatemala, Honduras, Nicaragua, Oman and Suriname.
- 39) Participation in inter-agency meetings: As in the past years, UNIDO participated in all major inter-agency coordination meetings organized by either the Multilateral Fund Secretariat or by any of the other implementing agencies.
- 40) Cooperation with Bilateral Agencies: During 2018, UNIDO continued implementation of the ongoing bilateral projects.
- 41) Those bilateral projects under UNIDO's implementation, which have been ongoing or have been completed in 2018 are listed in the below table. The list is sorted in alphabetical order of the bilateral agencies. The list includes one HFC phase-down enabling activity project for Tunisia.

#	Bilateral Agency	Project Title	Country	Impact	Approved Funding (US\$)	Status
1	France	HCFC phase-out management plan (stage I, first tranche) (residential air-conditioning manufacturing sector plan)	Tunisia	0.40	97,690	ONG
2	France	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	Tunisia	0.50	38,000	ONG

#	Bilateral Agency	Project Title	Country	Impact	Approved Funding (US\$)	Status
3	France	HCFC phase-out management plan (stage I, second tranche) (residential air-conditioning manufacturing sector plan)	Tunisia	1.50	356,397	ONG
4	Italy	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	Argentina	2.90	250,000	ONG
5	Italy	HCFC phase-out management plan (Stage II, first tranche)(RAC sector)	China	10.30	891,892	ONG
6	Italy	HCFC phase-out management plan (stage II, first tranche) (foam sector)	Iran	7.10	403,203	ONG
7	Italy	HCFC phase-out management plan (stage II, first tranche) (reclamation of HCFC refrigerants)	Mexico	-	458,191	ONG
8	Italy	Enabling activities for HFC phase-down	Tunisia	-	75,000	ONG
9	Japan	Phase-out of HCFC-22 and HCFC-142b from the manufacture of extruded polystyrene panel at Al-Watania Plastics	Saudi Arabia	1.90	110,000	ONG
10	Russia	Development of a regional centre of excellence for training and certification and demonstration of low-global warming potential alternative refrigerants	Regional Europe	-	591,600	ONG
11	Spain	HCFC phase-out management plan (stage II, second tranche) (cleaning agent phase-out in refrigeration servicing sector)	Mexico	2.30	76,991	ONG
12	Spain	HCFC phase-out management plan (stage II, second tranche) (phase-out of HCFC-22 and HCFC-141b in solvent)	Mexico	-	700,000	COM
13	Spain	HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector)	Mexico	-	280,000	ONG

#	Bilateral Agency	Project Title	Country	Impact	Approved Funding (US\$)	Status
14	Spain	HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	Mexico	13.1	1,070,000	ONG

Other issues

- 42) The status of ongoing projects is described in Annex II. The success and timely implementation of these activities are crucial in the current compliance period. In order to ensure timely project completion of projects approved so far, and to facilitate compliance of the recipient countries with their MP obligations, in 2018, UNIDO has continued to practice the following initiatives, which supported successful project implementation:
- Regular missions to ozone offices and project sites are organized to monitor together with the ozone officers the implementation of national and/or sector phase-out plans and ongoing stand-alone projects. UNIDO visits the respective ozone offices at least once a year. When required, UNIDO fields ad-hoc missions and requests support from the field representatives, who are in regular contact with the ozone office of the country to organize training, clear equipment from the customs, recruit national experts, undertake local procurement, process project travels, etc.
 - Good cooperation with the national ozone offices has continued and regular follow up of the implementation process is being done by the staff of the ozone office together with UNIDO's national and international consultants and project managers. This ensures that effective actions on critical issues such as resolving bottlenecks in site preparation, customs clearance, installation, commissioning and safety certification, monitoring of destruction of ODS-related equipment are taken in a timely manner.
 - Due to security and/or political issues, UNIDO experienced delays in project implementation during 2018 in several countries.
- 43) UNIDO is regularly attending Regional Network Meetings and respective workshops providing additional support to our counterpart countries.
- 44) UNIDO also provides, when requested, support such as policy assistance, putting in place relevant legislation etc.
- 45) In March 2018, representatives from 18 countries attended the Workshop on Enabling Activities for HFC phase-down organized by UNIDO in Vienna. The event brought together mostly representatives from National Ozone Units in Africa, Asia and Latin America and experts from UNIDO. The workshop aimed to support Article 5 countries to better address the upcoming challenges but most importantly to grasp the immediate and longer term opportunities offered by the Kigali Amendment to the Montreal Protocol. The addressed topics include HFC data management for Kigali Amendment, standards and regulatory framework and energy efficiency. Over 2 days of presentations

and interactive discussions, participants expressed their main priorities and shared their experience in tackling the phase down of ozone depleting substances and high global warming potential HFCs, while at the same time also considering economic development, energy efficiency and safety.

VII Tables and Annexes*

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