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

BILATERAL AGENCIES' BUSINESS PLANS FOR 2020–2022

Introduction

1. The following bilateral agencies submitted business plans for 2020–2022 to the 84th meeting: Australia and Germany.¹ Although France, Italy and Japan did not officially submit a business plan, the present document has included a table with the allocation of resources for France, Italy and Japan based on activities associated with HCFC phase-out management plans (HPMPs) approved in principle.

2. Bilateral agencies intend to have activities in 16 Article 5 countries, namely: Brazil, China, Colombia, India, Iran (Islamic Republic of), Kenya, the Lao People's Democratic Republic, Lesotho, Liberia, Mauritius, Namibia, Nigeria, Papua New Guinea, Seychelles, Viet Nam and Zimbabwe; and one regional activity for the Pacific Island countries (PIC) at a value of US \$10,531,037. An additional US \$2,857,975 would be requested for the period after 2022 as shown in Table 1.²

Table 1. Resource allocation in the bilateral agencies' business plans for 2020–2022 (US \$)*

	2020	2021	2022	Total (2020–2022)	Total after 2022
HCFC activities					
Approved HPMPs	5,700,099	2,484,632	1,963,806	10,148,537	2,415,475
HPMP stage II	282,500	100,000	0	382,500	442,500
Total	5,982,599	2,584,632	1,963,806	10,531,037	2,857,975

* Including agency support costs.

¹ Bilateral cooperation may be considered as a contribution to the Multilateral Fund up to a value of 20 per cent of a country's annual pledge to the Fund. The Executive Committee decided to allow flexibility in the year for which bilateral projects would be credited, provided that bilateral agencies submitted their work plans at the beginning of the year in time for consideration during discussions of the business plans at the Committee's first meeting of the year (decision 25/13(a)). Bilateral cooperation by other non-Article 5 Parties, such as Canada, the Czech Republic, Finland, France, Israel, Italy, Poland, Portugal, Russian Federation, Spain, Sweden, Switzerland, the United Kingdom of Great Britain and Northern Ireland, and the United States of America did not submit bilateral business plans and the total value of bilateral activities could increase in the event of such submissions.

² All activities after 2022 are for approved stage I of the HPMPs for Mauritius, Papua New Guinea and Seychelles; for stage II of the HPMPs for Brazil, China, Kenya; and for new stage II of the HPMPs for Lesotho and the PIC region.

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issuance of the document.

COMMENTS

3. The Secretariat reviewed each bilateral agency's business plan, provided comments on several of the proposed activities, and assessed the value of the activities against the annual pledged contributions.

Australia

4. The resource allocation in Australia's business plan for 2020–2022 is presented in Table 2. Twenty per cent of Australia's annual pledged contributions for 2020 amounts to US \$1,177,933.

Table 2. Allocation of resources for Australia (US \$)*

	2020	2021	2022	Total (2020–2022)	Total after 2022
HCFC activities					
HPMP stage II	282,500	0	0	282,500	282,500
Total	282,500	0	0	282,500	282,500

* Including agency support costs.

5. Australia's business plan includes US \$565,000 for new stage II of HPMPs for the PIC region including US \$282,500 for 2020–2022.

France

6. The resource allocation in France's business plan for 2020–2022 is presented in Table 3. Twenty per cent of France's annual pledged contributions for 2020 amounts to US \$2,449,100.

Table 3. Allocation of resources for France (US \$)*

	2020	2021	2022	Total (2020–2022)	Total after 2022
HCFC activities					
Approved HPMPs	692,895	0	0	692,895	770,760
Total	692,895	0	0	692,895	770,760

* Including agency support costs.

Germany

7. The resource allocation in Germany's business plan for 2020–2022 is presented in Table 4.

Table 4. Allocation of resources for Germany (US \$)*

	2020	2021	2022	Total (2020–2022)	Total after 2022
HCFC activities					
Approved HPMPs	4,622,132	2,394,232	1,963,806	8,980,170	1,644,715
HPMP stage II	0	100,000	0	100,000	160,000
Total	4,622,132	2,494,232	1,963,806	9,080,170	1,804,715

* Including agency support costs.

8. Germany's business plan includes US \$10.62 million for approved stages I and II of HPMPs including US \$8.98 million for 2020–2022. The Secretariat proposes cost adjustments to reflect the actual funding amounts approved under the Agreements or revised Agreement submitted to the 84th meeting by decreasing US \$1,059,916 for 2020–2022 and increasing US \$100,900 for after 2022.

9. In addition, Germany included funding for stage II of HPMPs in low-volume-consuming (LVC) countries to meet a 67.5 per cent reduction amounting to US \$260,000 including US \$160,000 for after 2022.

10. Table 5 presents the results of the Secretariat's proposed adjustments to Germany's business plan.

Table 5. Results of the adjustments to Germany's business plan (US \$)*

	2020	2021	2022	Total (2020–2022)	Total after 2022
HCFC activities					
Approved HPMPs	3,562,216	2,854,650	1,503,388	7,920,254	1,745,615
HPMP stage II	0	100,000	0	100,000	160,000
Total	3,562,216	2,954,650	1,503,388	8,020,254	1,905,615

* Including agency support costs.

11. Twenty per cent of Germany's annual pledged contributions for 2020 amounts to US \$3,220,267 or US \$9,660,800 for the 2018–2020 triennium. Taking into account approvals at the 81st to 83rd meetings (US \$5,072,800), if the submissions to the 84th meeting were approved as planned (US \$2,359,392), and the adjusted business plans values for 2020 (US \$3,562,216), Germany will exceed 20 per cent of pledged contributions for the 2018–2020 triennium by US \$1,333,608. Germany would need to either re-programme activities for future years or request other bilateral or implementing agencies to implement projects so that its bilateral cooperation does not exceed the 20 per cent allocation.

12. Therefore, the Executive Committee may wish to reconsider the level of activities in Germany's 2020–2022 business plan in the light of the bilateral activity allocation for the 2018–2020 triennium. The Government of Germany was informed of this issue and responded that it would consider shifting or reallocating tranches of approved multi-year agreements (MYAs) in order to stay within the 20 per cent of the pledge contributions if all tranches of MYAs would be approved as planned. However, given the delayed approvals, in particular for China, Germany would be at risk of not fully obligating Germany's 20 per cent allocation. In such cases, tranches from "after 2020" would have to be brought forward.

Italy

13. The resource allocation in Italy's business plan for 2020–2022 is presented in Table 6. Twenty per cent of Italy's annual pledged contributions for 2020 amounts to US \$1,889,100.

Table 6. Allocation of resources for Italy (US \$)*

	2020	2021	2022**	Total (2020–2022)
HCFC activities				
Approved HPMPs	264,840	0	0	264,840
Total	264,840	0	0	264,840

* Including agency support costs.

** There are no activities after 2022.

Japan

14. The resource allocation in Japan's business plan for 2020–2022 is presented in Table 7. Twenty per cent of Japan's annual pledged contributions for 2020 amounts to US \$4,879,033.

Table 7. Allocation of resources for Japan (US \$)*

Item	2020	2021	2022**	Total (2020–2022)
HCFC activities				
Approved HPMPs	120,232	90,400	0	210,632
Total	120,232	90,400	0	210,632

* Including agency support costs.

** There are no activities after 2022.

15. Japan's business plan includes US \$210,632 for approved stage II of HPMPs for 2020–2022. The Secretariat proposes cost adjustments to reflect the proposed revised Agreement submitted to the 84th meeting by increasing US \$90,400 in 2020 and removing the values in 2021.

16. Table 8 presents the results of the Secretariat's proposed adjustments to Japan's business plan.

Table 8. Results of the adjustments to Japan's business plan (US \$)*

Item	2020	2021	2022**	Total (2020–2022)
HCFC activities				
Approved HPMPs	210,632	0	0	210,632
Total	210,632	0	0	210,632

* Including agency support costs.

Adjustments to bilateral agencies' business plans for 2020–2022

17. After making the adjustments proposed above, the total value of bilateral agencies' business plans for 2020–2022 is US \$9,471,121 as shown in Table 9. These adjustments have been introduced in the Consolidated business plan of the Multilateral Fund for 2020–2022.³

Table 9. Resource allocation in the bilateral agencies' adjusted business plans for 2020–2022 (US \$)*

	2020	2021	2022	Total (2020–2022)	Total after 2022
HCFC activities					
Approved HPMPs	4,730,583	2,854,650	1,503,388	9,088,621	2,516,375
HPMP stage II	282,500	100,000		382,500	442,500
Total	5,013,083	2,954,650	1,503,388	9,471,121	2,958,875

* Including agency support costs.

RECOMMENDATION

18. The Executive Committee may wish to note:
- (a) The business plans of the bilateral agencies for 2020–2022 submitted by the Governments of Australia and Germany, contained in document UNEP/OzL.Pro/ExCom/84/27; and
 - (b) That Germany's 2020–2022 business plan should be reconsidered in the light of the bilateral activity allocation for the 2018–2020 triennium.

³ UNEP/OzL.Pro/ExCom/84/26