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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-seventh Meeting
Montreal, 28 June-2 July 2021¹

**REPORT OF THE INTERSESSIONAL APPROVAL PROCESS
AND ONLINE MEETINGS FOR THE 87TH MEETING**

1. The present document consists of the following two parts:
 - I. Process for the 87th meeting, describing the agreed process followed by the Executive Committee for conducting the 87th meeting, which included consideration of several items of the agenda through an intersessional approval process (IAP) and several other items through online meetings
 - II. Comments, discussions and decisions by the Executive Committee, containing a compilation of comments and discussions where applicable, and decisions on each of the documents considered during the 87th meeting, presented in the order of the agenda of the meeting²

PART I: PROCESS FOR THE 87TH MEETING

Background

2. Since the World Health Organization assessed the outbreak of the coronavirus as a pandemic on 11 March 2020, the Secretariat had developed a contingency plan for conducting Executive Committee meetings, which was modified and adapted on several occasions according to the evolution of the pandemic, in consultation with the Chairs and Vice-Chairs of the Executive Committee as required. Each contingency plan was considered and approved by all Executive Committee members.

*Re-issued for technical reasons on 9 August 2021.

¹ Online meetings and an intersessional approval process will be held in June and July 2021 due to coronavirus disease (COVID-19).

² UNEP/OzL.Pro/ExCom/87/1

Procedure for the 87th meeting

3. In view of the situation of the COVID-19 pandemic prevailing globally and in the province of Quebec in early 2021, the Executive Committee was informed that the 87th meeting planned from 28 June to 2 July 2021 in Montreal, would not be held in-person;³ instead, an IAP with formal online/virtual meetings would be organized. Members were also informed that for formal online meetings, the Secretariat secured interpretation services that would be available only from 25 to 28 June 2021,⁴ from the United Nations Office at Nairobi.

4. The Secretariat prepared document UNEP/OzL.Pro/ExCom/87/IAP/1, Procedures for conducting the 87th meeting, including only section I on the procedure for conducting the meeting, to allow members sufficient time to plan their work. A revision to the document was subsequently issued (UNEP/OzL.Pro/ExCom/87/IAP/1/Rev.1) to reflect comments received from members on section I. A second revision (UNEP/OzL.Pro/ExCom/87/IAP/1/Rev.2), which was issued to include section II compiling all the recommendations associated with each of the agenda items and documents to be considered under two sub-sections: formal online/virtual meetings and the IAP established for the 87th meeting (IAP-87), in the order of the agenda in each sub-section, was sent to Executive Committee members and uploaded to the password-protected forum that was established at the Multilateral Fund's meeting portal for the 87th meeting on 25 June 2021.

5. As indicated in document UNEP/OzL.Pro/ExCom/87/IAP/1/Rev.2, the Executive Committee considered the following agenda items of the 87th meeting through formal online meetings with simultaneous interpretation on 25 and 28 June 2021, and in English only on 2 July 2021, and virtual meetings (in English only) in the margins of the formal online meetings:

4. Financial matters:
 - (c) Approved 2021, 2022 and proposed 2023 budgets of the Fund Secretariat.
9. Project proposals:⁵
 - (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Work programmes:
 - (i) Work programme of UNDP for 2021;
 - (ii) Work programme of UNEP for 2021;
 - (iii) Work programme of UNIDO for 2021;
 - (iv) Work programme of the World Bank for 2021;
13. Matters related to the Kigali Amendment to the Montreal Protocol:
 - (b) Potential strategies, policy measures and commitments, as well as projects and

³ Information was included in document UNEP/OzL.Pro/ExCom/86/IAPext/Rev.1, which took into consideration comments made by Executive Committee members.

⁴ Prior to the issuance of the present document, upon a request from the Secretariat, the United Nations Office at Nairobi indicated that additional meetings with simultaneous interpretation could only be held after 19 July 2021.

⁵ Related to preparation of Kigali HFC implementation plans (KIPs).

activities that could be integrated within stage I of HFC phase-down plans for Article 5 countries to ensure limits on growth and sustainable reductions in HFC consumption (decision 84/54(b));

- (c) Draft guidelines for the preparation of HFC phase-down plans for Article 5 countries (decision 86/93);
- (g) Energy efficiency:
 - (ii) Framework for consultations with relevant funds and financial institutions to explore the mobilization of additional financial resources for maintaining or enhancing energy efficiency when replacing HFCs with low global-warming potential refrigerants in the refrigeration and air-conditioning sector (decision 86/94);
- (h) Key aspects related to HFC-23 by-product control technologies (decisions 86/95 and 86/96)

14. Report on the progress made on the recruitment process for the position of Chief Officer of the Secretariat of the Multilateral Fund (decision 86/2(h)).

16. Report of the Sub-group on the Production Sector.

6. Observers were allowed to participate in the formal online/virtual meetings, except for the items on the the budget of the Fund Secretariat (item 4(c)) and the recruitment process for the selection of the Chief Officer (item 14), and the meetings of the Sub-group on the Production Sector.

7. As also indicated in document UNEP/OzL.Pro/ExCom/87/IAP/1/Rev.2, the Executive Committee considered the following agenda items of the 87th meeting through the IAP-87:

- 3. Secretariat activities.
- 4. Financial matters:
 - (a) Status of contributions and disbursements;
 - (b) Report on balances and availability of resources;
- 5. Country programme data and prospects for compliance.
- 7. Programme implementation:
 - (a) Status reports and reports on projects with specific reporting requirements;
 - (b) 2021 consolidated project completion report.
- 8. Business planning:
 - (a) Update on the status of implementation of the 2021-2023 consolidated business plan of the Multilateral Fund;
 - (b) Tranche submission delays.

9. Project proposals:⁶
 - (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;
 - (c) Work programmes:
 - (i) Work programme of UNDP for 2021;
 - (ii) Work programme of UNEP for 2021;
 - (iii) Work programme of UNIDO for 2021;
 - (iv) Work programme of the World Bank for 2021;
 - (d) Investment projects.
15. Draft report of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to the Thirty-Third Meeting of the Parties.
17. Other matters.

8. The IAP-87 remained as a closed session with the participation of bilateral and implementing agencies and the Ozone Secretariat as observers. Executive Committee members were invited to review document UNEP/OzL.Pro/ExCom/87/IAP/1/Rev.2 and the meeting documents in particular those considered under the IAP-87, and were reminded that decisions should be taken following a non-objection basis,^{7 8} applied to previous IAPs, and that requests for additional information and/or clarification or changes to the Secretariat's recommendation on any of the documents under consideration should be submitted in writing only by the Heads of Delegations, no later than 9 July 2021.

9. Written requests received, were uploaded to the forum established for the IAP-87.

10. The Secretariat compiled all the written requests and responses in document UNEP/OzL.Pro/ExCom/87/IAP/2, Consolidated requests and responses – intersessional approval process established for the 87th meeting. In compiling the written requests, the Secretariat noted that several members requested additional information and/or clarification related to specific documents under consideration, while few other members also suggested modifications to the Secretariat's recommendations on several items/documents considered under the IAP.

11. In addressing the requests by Executive Committee members, the Secretariat contacted bilateral and implementing agencies, particularly when the requested information was not available at the Secretariat or the desired clarification required further consultation with the governments of Article 5 countries. Concurrently, the Secretariat approached a few delegations to clarify some of the additional information they requested and modifications they proposed to the Secretariat's recommendations on some documents.

⁶ All except those related to preparation of KIPs.

⁷ That is, documents, reports and projects would be considered approved if an objection is not received.

⁸ Paragraphs 156.4 and 156.5 of document UNEP/OzL.Pro/ExCom/11/36.

12. The Secretariat also included the write-up on agenda items discussed at formal online/virtual meetings, which had been cleared by the Chair of the Executive Committee, in document UNEP/OzL.Pro/ExCom/87/IAP/2/Add.1.

13. Subsequently, documents UNEP/OzL.Pro/ExCom/87/IAP/2 and Add.1 were uploaded to the forum established for the IAP-87 on 19 and 23 July 2021, respectively. Heads of Delegations were invited to submit in writing any disagreements to the revised recommendations and any comments on documents UNEP/OzL.Pro/ExCom/87/IAP/2 and Add.1 by 23 July and 27 July 2021, respectively; all responses were subsequently uploaded to the forum. Based on the responses received, the Secretariat prepared the present document which includes comments and discussions, where applicable, and decisions of the Executive Committee associated with each of the agenda items and associated documents that were considered under the 87th meeting.

14. Decisions arising from the 87th meeting would be included under the relevant agenda items in the Report of the 87th meeting of the Executive Committee.

15. As further indicated in document UNEP/OzL.Pro/ExCom/87/IAP/1/Rev.2, items and documents which were not considered through formal online/virtual meetings of the 87th meeting and the IAP-87, were deferred to the 88th meeting. As part of the IAP-87, any matter associated with the meeting documents submitted to the IAP-87 that was deferred would also be submitted for consideration at the 88th meeting or at a later meeting.

16. Following the issuance of the present document, the Secretariat would send instructions to the Treasurer on funding allocations to the bilateral and implementing agencies based on the level of funds for projects approved intersessionally and relevant decisions of the Executive Committee.

PART II COMMENTS, DISCUSSIONS AND DECISIONS BY THE EXECUTIVE COMMITTEE

17. All decisions made during the IAP-87 were taken on an exceptional basis and without setting a precedent for future Executive Committee decisions.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

18. During the IAP-87, the Executive Committee considered the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/87/2.

19. The Executive Committee took note, with appreciation, of the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/87/2.

AGENDA ITEM 4: FINANCIAL MATTERS

(a) Status of contributions and disbursements

20. During the IAP-87, the Executive Committee considered the report by the Treasurer on status of contributions and disbursements contained in document UNEP/OzL.Pro/ExCom/87/3.

21. As at 9 June 2021, the balance of the Fund had stood at US \$334,427,526, all of it in cash. The loss stemming from the fixed-exchange-rate mechanism (FERM) had decreased by US \$74,544 since the 86th meeting. The cumulative loss owing to the FERM since its inception stood at US \$30.15 million.

22. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements, contained in Annex I to the present document;
- (b) To request the Chief Officer and the Treasurer to continue following up with Parties that had outstanding contributions for one triennium or more, and to report back at the 88th meeting;
- (c) To note the adjustments in the bilateral contribution by Canada, France, Portugal and Spain, resulting from a reconciliation exercise between invoices, payments and the Secretariat inventory of approved projects, included in Annex I to the present document;
- (d) To request the Treasurer in cooperation with the Secretariat, to finalize the review of the amounts of the bilateral contribution by Finland recorded in the Multilateral Fund, and to report back at the 88th meeting; and
- (e) To request the World Bank to return to the Multilateral Fund the amount of US \$3,280,455 in cash representing the balance from completed or cancelled projects, interest accrued, and other adjustments which is above the amount that the Treasurer has been able to offset from projects approved for the World Bank since the 83rd meeting.

(Decision 87/??)

(b) Report on balances and availability of resources

23. During the IAP-87, the Executive Committee considered document UNEP/OzL.Pro/ExCom/87/4.

24. One of the fundamental principles of the Multilateral Fund was that project proposals could be approved only if sufficient funding were available. As reported in agenda item 4(a), as at 9 June 2021 the funding balance available within the Multilateral Fund had amounted to US \$334,427,526. An additional US \$2,308,358 had subsequently been returned to the Fund by bilateral and implementing agencies, resulting in a total balance of US \$336,735,884, which was sufficient to cover the funding requests submitted to the 87th meeting.

25. The Executive Committee decided:

- (a) To note:
 - (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/87/4;
 - (ii) That the net level of funds being returned at the 87th meeting by the implementing agencies was US \$2,308,358, consisting of US \$58,511, plus agency support costs of US \$4,199 from UNDP; US \$1,867,022, plus agency support costs of US \$148,337 from UNEP, and US \$214,743, plus agency support costs of US \$15,546 from UNIDO;
 - (iii) That UNEP held balances of US \$109,372, including agency support costs, for seven projects completed over two years previously which included one ODS-alternative survey project with balances of US \$434, including agency support costs, and US \$10,110, including agency support costs, for one project funded using the additional voluntary contributions;

- (iv) That UNIDO held balances of US \$2,132, including agency support costs, for one project funded using the additional voluntary contributions; and
 - (v) That the net level of funds being returned at the 87th meeting by the Government of France was US \$6,247, plus agency support costs of US \$500.
- (b) To request:
- (i) Bilateral and implementing agencies to proceed with disbursement or to cancel committed and not-committed funds that were not needed for completed projects and projects completed “by decision of the Executive Committee” and to return the associated balances to the 88th meeting;
 - (ii) UNEP to return to the 88th meeting, the balance of one ODS-alternative survey project completed over two years previously, in line with decisions 80/75(c)(i), and the balance of one completed project funded using the additional voluntary contributions;
 - (iii) UNEP to proceed with disbursement or to cancel commitments for the remaining six projects completed over two years previously, and to return balances to the 88th meeting;
 - (iv) UNIDO to return to the 88th meeting the balance of one completed project funded using the additional voluntary contributions; and
 - (v) The Treasurer to follow up with the Government of France, on the return, in cash, of the amount of US \$6,747 referred to in sub-paragraph (a)(v) above.

(Decision 87/??)

(c) Approved 2021, 2022 and proposed 2023 budgets of the Fund Secretariat

26. Introducing the item at the formal online 87th meeting, the Chair recalled that it had been deferred from the 86th meeting. He also said that the session was only open to members and coopted members of the Executive Committee.

27. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/87/5, which had been prepared as follow-up to decision 84/6(c), in which the Executive Committee had requested the Secretariat to monitor its staff costs to assess the appropriate rate of increase for future years, taking into account the Secretariat’s expenses as presented in the final 2019 accounts. Table 1 of the document presented an analysis of the 2018–2020 approved personnel budgets, the actual expenditure and the unspent balances that had been returned to the Multilateral Fund in 2018 and 2019. Those unspent balances were mainly due to: changes in staff entitlements and benefits pursuant to the staff regulations and rules of the United Nations; vacant and partially filled posts; exchange rate gains; and overestimates in some of the personnel budget lines. The representative of the Secretariat recalled that previous analysis, presented to the 60th and 65th meetings, had demonstrated that a 3 per cent increase on the previous year’s budget was sufficient to cover the staff costs incurred in a given year.

28. On that basis, Annex I to the document presented the approved 2020 and 2021 budgets, the revised 2022 budget and the proposed 2023 budget of the Fund Secretariat. The 2021 budget remained as approved; the 2022 budget had been revised, with a 20 per cent adjustment in staff costs; and the proposed 2023 budget was based on a 3 per cent increase on the revised 2022 budget. The representative of the Secretariat also noted that future staff budgets would be based on prior years’ actual expenditure, when available. No

change had been made to the operational costs in light of the uncertainties surrounding in-person meetings and restrictions on travel during the COVID-19 pandemic.

29. The Executive Committee decided:

(a) To note:

- (i) The approved 2020 and 2021, revised 2022 and proposed 2023 budgets of the Fund Secretariat contained in document UNEP/OzL.Pro/ExCom/87/5;
- (ii) That US \$24,209 in expenditures not recorded in the final 2019 accounts had been reallocated to the 2020 budget;

(b) To approve, as contained in Annex II to the present report:

- (i) The revised 2022 budget of US \$6,915,766, based on the analysis of staff costs in response to decision 84/6(c), resulting in the return of US \$1,033,864 to the Multilateral Fund at the 87th meeting; and
- (ii) The proposed 2023 budget of US \$7,039,830, based on the revised 2022 budget, which included two meetings of the Executive Committee in Montreal, and a 3 per cent increase in staff costs.

(Decision 87/??)

AGENDA ITEM 5: COUNTRY PROGRAMME DATA AND PROSPECTS FOR COMPLIANCE

30. Subsequent to the issuance of document UNEP/OzL.Pro/ExCom/87/6, on 7 June 2021 the Government of Yemen submitted country programme (CP) data for the years from 2014 to 2020; therefore, the recommendation to send a letter to the Government to request for the submission of the outstanding CP data report, is no longer required.

31. During the IAP-87, the Executive Committee considered document UNEP/OzL.Pro/ExCom/87/6.

32. In response to a proposal by one member to include in the document on the matter to be presented at the 88th meeting, Section B1 of the country programme (CP) data report and data on production, consumption and generation of Annex F Groups I and II controlled substances of the 122 Parties that had ratified the Kigali Amendment as of the 87th meeting, the Secretariat referred to decision 86/7(c) which deferred consideration of Section B1 of the CP data report to an in-person meeting, and explained that the document on the matter is updated at each Executive Committee meeting, including data on production and consumption of all controlled substances for only Article 5 countries.

33. Following clarifications provided by the Secretariat, the member withdrew his proposal.

34. Subsequently, the Executive Committee decided to note the information on country programme (CP) data and prospects for compliance contained in document UNEP/OzL.Pro/ExCom/87/6, including:

- (a) That 91 countries had submitted 2020 CP data; and
- (b) That, on 7 June 2021, Yemen submitted CP data for the years 2014 to 2019.

(Decision 87/??)

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION

(a) Status reports and reports on projects with specific reporting requirements

35. During the IAP-87, the Executive Committee considered all reports contained in Sections I and II of document UNEP/OzL.Pro/ExCom/87/9, as follows.

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

36. Information relating to projects with implementation delays and for which special status reports were requested was set out in paragraphs 4 to 8 of document UNEP/OzL.Pro/ExCom/87/9.

37. The Executive Committee decided:

(a) To note:

(i) The implementation delay reports and status reports submitted by bilateral and implementing agencies, contained in document UNEP/OzL.Pro/ExCom/87/9;

(ii) That bilateral and implementing agencies would report to the Executive Committee at the 88th meeting on 44 projects with implementation delays, as indicated in Annexes III and IV to the present report, and on 22 projects recommended for additional status reports, as indicated in Annex V to the present report, as part of the 2020 annual and financial progress report of the bilateral and implementing agencies; and

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

(Decision 87/??)

Section II: Reports on projects with specific reporting requirements for which there are no outstanding policy, cost or other issues, for which the Executive Committee may wish to take decision on the basis of the Secretariat's recommendations without further discussion ("blanket approval")

38. In response to a clarification sought by one member on the definition of high- and low-global warming potential (GWP) HFC alternatives and a request for an update on their associated cost-effectiveness thresholds, the Secretariat recalled the explanation provided at the 86th meeting relating to the project for promoting low-GWP refrigerants for air-conditioning sectors in high-ambient-temperature countries (PRAHA-III), indicating that information relating to the categorization of the GWP values was provided by the Technology and Economic Assessment Panel (TEAP) in its June 2016 report, which, although not adopted by the Parties to the Montreal Protocol, serves as general guidance to bilateral and implementing agencies when submitting projects on behalf of Article 5 countries. The Secretariat also drew attention to decisions 60/44 and 74/50, referring in particular to additional funding when low-GWP alternatives are introduced through investment projects under HCFC phase-out management plans (HPMPs), and indicated that except for the conversion of some refrigeration and air-conditioning (RAC) manufacturing enterprises to high-GWP-based technologies under stage I of the HPMPs, the conversion of the majority of HCFC-based manufacturing enterprises during stages I, II and III of HPMPs, were based on alternatives that could be classified as low-GWP technologies.

39. The Secretariat informed that the cost-effectiveness thresholds established by the Executive Committee are used as reference, and drew attention to document UNEP/OzL.Pro/ExCom/87/49, which provides detailed information on the incremental costs (and cost-effectiveness) of conversion by technology and sector for all approved projects in the relevant manufacturing sectors. The Secretariat further noted that the cost-effectiveness thresholds for HFC phase-down are currently being discussed by the Executive Committee under the cost guidelines for HFC phase-down and expected to be established, taking into consideration the analysis contained in document UNEP/OzL.Pro/ExCom/87/49 (historical data); the detailed analysis on the incremental capital and operating costs of the HFC stand-alone projects approved pursuant to decision 78/3(g) once they have been completed (case study data); and any other reference that the Executive Committee may wish to use during the discussions.

40. Following clarifications provided by the Secretariat, the member noted that the seven classifications provided by TEAP in its June 2016 have not been adopted by the Parties to the Montreal Protocol, and was not aware of any general use of the classifications by bilateral and implementing agencies except for the information shared by UNEP in the context of the PRAHA III project.

Reports related to HPMPs

Afghanistan: HCFC phase-out management plan (stage I – request for extension) (UNEP and UNIDO)

41. Information relating to the HPMP was set out in paragraphs 11 to 25 of document UNEP/OzL.Pro/ExCom/87/9.

42. The Executive Committee decided:

- (a) To note the progress report on the implementation of the work programme associated with stage I of the HCFC phase-out management plan (HPMP) for Afghanistan and the request for extension submitted by UNEP, contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To extend, on an exceptional basis due to the delays imposed by the COVID-19 pandemic, the completion date of stage I of the HPMP for Afghanistan until 31 December 2022 noting that no further extension would be requested; and
- (c) To request the Government of Afghanistan, UNEP and UNIDO to submit a project completion report to the first meeting of 2023.

(Decision 87/??)

Argentina: HCFC phase-out management plan (stage II – update on the financial viability of the enterprise Celpack) (UNIDO)

43. Information relating to the financial viability of the enterprise included in the HPMP was set out in paragraphs 26 to 31 of document UNEP/OzL.Pro/ExCom/87/9.

44. The Executive Committee decided:

- (a) To request the Government of Argentina, through UNIDO, to provide to the 88th meeting an update on the financial viability of the of the extruded polystyrene (XPS) foam enterprise Celpack and a decision on whether the enterprise would be assisted by the Multilateral Fund under stage II of the HPMP for Argentina, in line with decision 84/64(d)(ii), and

- (b) To note that, in the event that the enterprise referred to in sub-paragraph (a) above would not be assisted by the Multilateral Fund, the funds associated with its conversion would be calculated taking into consideration the flexibility in the allocation of funds approved to the Government of Argentina for the XPS foam sector, and would be deducted from the approval of the next tranche of stage II of the HPMP for Argentina.

(Decision 87/??)

Brunei Darussalam: HCFC phase-out management plan (stage I – request for extension) (UNEP and UNDP)

45. Information relating to the HPMP was set out in paragraphs 32 to 41 of document UNEP/OzL.Pro/ExCom/87/9.

46. The Executive Committee decided:

- (a) To note the progress report on the implementation of the work programme associated with stage I of the HCFC phase-out management plan (HPMP) for Brunei Darussalam and the request for extension submitted by UNEP, contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To extend, on an exceptional basis due to the delays imposed by the COVID-19 pandemic, the completion date of stage I of the HPMP for Brunei Darussalam until 31 December 2022, noting that no further extension would be requested; and
- (c) To request the Government of Brunei Darussalam, UNEP and UNDP to submit a project completion report to the first meeting of 2023.

(Decision 87/??)

Chile: HCFC phase-out management plan (third and final tranche stage II – annual progress report) (UNDP, UNEP and UNIDO)

47. Information relating to the HPMP was set out in paragraphs 42 to 55 of document UNEP/OzL.Pro/ExCom/87/9.

48. The Executive Committee decided:

- (a) To note the annual progress report on the implementation of the third and final tranche of stage II of the HCFC phase-out management plan (HPMP) for Chile and the verification report on HCFC consumption for 2019 to 2020 submitted by UNDP, contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To note that the enterprise Superfrigo has opted not to participate in stage II of the HPMP and that the approved funds of US \$103,210 associated with this enterprise, plus agency support costs of US \$7,225 will be returned to the Fund by UNDP no later than the 89th meeting; and
- (c) To request the Government of Chile, through UNDP as lead implementing agency, to submit progress reports on a yearly basis on the implementation of the work programme associated with the final tranche until the completion of the project, verification reports until approval of stage III, and the project completion report to the first meeting in 2023.

(Decision 87/??)

Côte d'Ivoire: HCFC phase-out management plan (stage I – report on the adoption of the inter-ministerial decree (“arrêté interministériel”) for regulating import, export, transit, re-export and trade of ODS, and other measures on strengthening monitoring and reporting systems relating to HCFC import and export) (UNEP)

49. Information relating to the report on the adoption of the inter-ministerial decree for regulating import, export, transit, re-export and trade of ODS was set out in paragraphs 56 to 63 of document UNEP/OzL.Pro/ExCom/87/9.

50. Noting that, due to some tragic events in the Government the adoption of the inter-ministerial decree was still in progress, one member proposed to add few words “progress in the future” to the title of the report referred to in paragraph (a) of the recommendation.

51. Subsequently, the Executive Committee decided:

- (a) To note the report on the progress in the future adoption of the inter-ministerial decree (“arrêté interministériel”) for regulating import, export, transit, re-export and trade of ODS, and other measures on strengthening monitoring and reporting systems relating to HCFC import and export under stage I of the HCFC phase-out management plan for Côte d'Ivoire, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/87/9; and
- (b) To request the Government of Côte d'Ivoire to provide an update, through UNEP, at the 88th meeting, on the adoption of the “arrêté interministériel” mentioned in sub-paragraph (a) above.

(Decision 87/??)

Ecuador: HCFC phase-out management plan (stage I – postponement of the ban on imports of HCFC-141b contained in pre-blended polyols) (UNIDO and UNEP)

52. Information relating to the HPMP was set out in paragraphs 64 to 70 of document UNEP/OzL.Pro/ExCom/87/9.

53. The Executive Committee took note of the commitment from the Government of Ecuador not to issue any import quotas for HCFC-141b contained in pre-blended polyols as of 1 January 2022 instead of 1 January 2021 due to the delays imposed by the COVID-19 pandemic.

Eswatini: HCFC phase-out management plan (stage I – final report) (UNEP and UNDP)

54. Information relating to the HPMP was set out in paragraphs 71 to 80 of document UNEP/OzL.Pro/ExCom/87/9.

55. The Executive Committee took note of the progress report on the implementation of the work programme associated with the fourth and final tranche of stage I of the HCFC phase-out management plan (HPMP) for Eswatini, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/87/9.

Ethiopia: HCFC phase-out management plan (stage I – progress report) (UNEP and UNIDO)

56. Information relating to the HPMP was set out in paragraphs 81 to 90 of document UNEP/OzL.Pro/ExCom/87/9.

57. The Executive Committee took note of the progress report on the implementation of the work programme associated with the third and final tranche of the stage I of the HCFC phase-out management plan for Ethiopia submitted by UNEP, contained in document UNEP/OzL.Pro/ExCom/87/9.

Jamaica: HCFC phase-out management plan (stage II – update on the status of implementation of the measures for strengthening the licensing and quota system and monitoring and reporting of HCFC consumption recommended in the verification report) (UNDP)

58. Information relating to the implementation of the measures for strengthening the licensing and quota system and monitoring and reporting of HCFC consumption was set out in paragraphs 91 to 96 of document UNEP/OzL.Pro/ExCom/87/9.

59. The Executive Committee decided:

- (a) To note the update on the status of implementation of the measures for strengthening the licensing and quota system and monitoring and reporting of HCFC consumption recommended in the verification report under stage II of the HCFC phase-out management plan for Jamaica, submitted by UNDP and contained in document UNEP/OzL.Pro/ExCom/87/9; and
- (b) To request the Government of Jamaica and UNDP to provide, to the 88th meeting, an update on the additional steps taken in relation to the recommendations in the verification report submitted to the 85th meeting.

(Decision 87/??)

Jordan: HCFC phase-out management plan (stage II – change in technology at five enterprises) (World Bank and UNIDO)

60. Information relating to the HPMP was set out in paragraphs 97 to 107 of document UNEP/OzL.Pro/ExCom/87/9.

61. In response to a request for clarification, the Secretariat noted that the request for change of technology was due to the firm commitment of the Government to enforce the import ban on HCFC-141b from 1 January 2022. It was clarified that the five enterprises decided to select the water-blown technology instead of HFO-based polyols because the former is commercially available, technically feasible, and economically viable, and the latter, although available (for “high” insulation performance of foam), is not economically viable and suitable for manufacturing roller shutter systems by these enterprises. It was further clarified that the systems houses in the region (e.g., in Egypt, the United Arab Emirates) have developed HFO-based formulations that could be supplied to polyurethane foam enterprises in Jordan, and that technical support would be provided to these enterprises for adopting the new HFO-based formulations and achieving appropriate performance levels. The World Bank also informed that if HFO-based foam blowing technology becomes commercially available for these applications, the enterprises would consider adopting HFO-based technology in these applications.

62. The Executive Committee decided:

- (a) To note the request submitted by the World Bank on behalf of the Government of Jordan for the change of technology in the conversion of the five enterprises from HFO-1233zd(E) to water-blown technology in stage II of the HCFC phase-out management plan for Jordan as contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To approve the change of technology mentioned in sub-paragraph (a) above; and

- (c) To request the Government of Jordan and the World Bank to return to the Multilateral Fund the balance from the polyurethane foam sector plan once all the enterprises included therein have been converted.

(Decision 87/??)

The Lao People's Democratic Republic: HCFC phase-out management plan (stage I – request for extension) (UNEP and the Government of France)

63. Information relating to the HPMP was set out in paragraphs 108 to 119 of document UNEP/OzL.Pro/ExCom/87/9.

64. The Executive Committee decided:

- (a) To note the progress report on the implementation of the work programme associated with stage I of the HCFC phase-out management plan (HPMP) for the Lao People's Democratic Republic and the request for extension submitted by UNEP, contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To extend, on an exceptional basis due to the delays imposed by the COVID-19 pandemic, the completion date of stage I of the HPMP for the Lao People's Democratic Republic until 31 December 2022, noting that no further extension would be requested; and
- (c) To request the Government of the Lao People's Democratic Republic, UNEP and the Government of France to submit a project completion report to the first meeting of 2023.

(Decision 87/??)

Malaysia: HCFC phase-out management plan (stage II – change in technology at nine enterprises and reallocation of funds) (UNDP)

65. Information relating to the HPMP was set out in paragraphs 120 to 131 of document UNEP/OzL.Pro/ExCom/87/9.

66. In response to a request for clarification, UNDP confirmed the eligibility of Thermofoam Marketing Sdn Bhd., and the Secretariat confirmed that the cost for conversion of the enterprise is correct as shown in the document.

67. Subsequently, the Executive Committee decided:

- (a) To note the requests submitted by UNDP on behalf of the Government of Malaysia for the change in technology at nine foam enterprises included in stage II of the HCFC phase-out management plan (HPMP) and the conversion of an additional foam enterprise that had not been included in stage II, and contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To further note:
 - (i) The change in technology of four enterprises to pre-blended cyclopentane and five enterprises to methylal, from hydrofluoroolefins (HFOs) in the context of stage II of the HPMP;
 - (ii) The withdrawal of 15 small-sized foam enterprises from stage II of the HPMP;

- (iii) The reallocation of US \$169,281 of savings from the withdrawal of the 15 enterprises referred to in sub-paragraph (b)(ii) above to the conversion of Thermofoam Marketing Sdn Bhd to pre-blended cyclopentane;
 - (iv) That UNDP would provide an update on the status of the polyurethane foam manufacturing conversions to the 88th meeting as part of the request for the third tranche of stage II of the HPMP;
- (c) To approve:
- (i) The change in technology of four enterprises to pre-blended cyclopentane and five enterprises to methylal, from HFOs on the understanding that any additional costs would be covered by the enterprises and that the date of completion of the conversion of the enterprise would not be delayed due to the change of technology; and
 - (ii) The reallocation of US \$169,281 of savings from the withdrawal of the 15 enterprises referred to in sub-paragraph (b)(ii) above to the conversion of Thermofoam Marketing Sdn Bhd to pre-blended cyclopentane, on the understanding that any additional costs for the conversion would be covered by the enterprise and that the 15 enterprises referred to in sub-paragraph (b)(ii) above would not be eligible for future funding from the Multilateral Fund to phase down HFCs.

(Decision 87/??)

Mexico: HCFC phase-out management plan (stage I – progress report) (UNIDO and UNDP)

68. Information relating to the HPMP was set out in paragraphs 132 to 137 of document UNEP/OzL.Pro/ExCom/87/9.

69. The Executive Committee took note:

- (a) That UNDP was unable to financially complete stage I of the HCFC phase-out management plan (HPMP) for Mexico by 31 December 2020 and return balances at the 87th meeting as per decision 84/22(a) and (b) due to delays in the last verification of and payment to one enterprise because of restrictions imposed by the COVID-19 pandemic; and
- (b) That UNDP will financially complete stage I of the HPMP for Mexico before the 88th meeting and will return to the Multilateral Fund the approved funds of US \$683,300 for the enterprise Plasticos Espumados that did not participate in stage I of the HPMP, as well as the estimated balance of US \$300,000 and any remaining balances from stage I of the HPMP at the 88th meeting.

Morocco: HCFC phase-out management plan (stage I – final progress report) (UNIDO)

70. Information relating to the HPMP was set out in paragraphs 138 to 149 of document UNEP/OzL.Pro/ExCom/87/9.

71. The Executive Committee took note:

- (a) The final progress report on the implementation of the work programme associated with the third and final tranche of stage I of the HCFC phase-out management plan (HPMP) for

Morocco, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/87/9;
and

- (b) That UNIDO will submit the verification report requested by decision 83/57(d) to the 88th meeting; in the absence of such report, stage II of the HPMP would not be considered by the Executive Committee.

Nepal: HCFC phase-out management plan (stage I – request for extension) (UNEP and UNDP)

72. Information relating to the HPMP was set out in paragraphs 150 to 158 of document UNEP/OzL.Pro/ExCom/87/9.

73. The Executive Committee decided:

- (a) To note the progress report on the implementation of the work programme associated with stage I of the HCFC phase-out management plan (HPMP) for Nepal and the request for extension submitted by UNEP, contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To extend, on an exceptional basis due to the delays imposed by the COVID-19 pandemic, the completion date of stage I of the HPMP for Nepal until 31 December 2022 noting that no further extension would be requested; and
- (c) To request the Government of Nepal, UNEP and UNDP to submit a project completion report to the first meeting of 2023.

(Decision 87/??)

The Pacific Island Countries (PICs): HCFC phase out management plan (stage I – request for extension of the completion date for the third (and final) tranche for the 12 PICs) (UNEP)

74. Information relating to the HPMP was set out in paragraphs 159 to 171 of document UNEP/OzL.Pro/ExCom/87/9.

75. The Executive Committee decided:

- (a) To note the progress report on the implementation of the work programme associated with the final tranche of stage I of the HCFC phase-out management plan of (HPMP) for the Pacific Island Countries (PICs), submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/87/9;
- (b) To approve, on an exceptional basis, the extension of the date of completion of stage I of the HPMP for the PICs to 31 December 2022, given the delays in implementing phase-out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested; and
- (c) To request the Governments of the PICs and UNEP to submit a progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2023.

(Decision 87/??)

The Philippines: HCFC phase-out management plan (stage II – request for cancellation of air-conditioning manufacturing sector plan, revised implementation plan and updating of the Agreement) (UNIDO)

76. Information relating to the HPMP was set out in paragraphs 172 to 195 of document UNEP/OzL.Pro/ExCom/87/9.

77. As requested by one member to provide additional information on the incentive within the market to explain the switch to R-410A-based technology for the manufacturing of air-conditioning equipment instead of the proposed non-HFC-based technology, the Secretariat indicated *inter alia* that all air-conditioning units being manufactured by non-Article 5-owned enterprises operating in the Philippines or being imported are based on R-410A inverter technology; therefore, there is no incentive to shift to a HFC-32 or a non-HFC technology; that a technical assistance activity demonstrating how non-HFC technologies can be used in the AC manufacturing sector to be implemented under stage II of the HPMP, may potentially influence the market in the near future; and that UNIDO was informed that the locally-owned air-conditioning manufacturing enterprises that withdrew from the project, may not be eligible for funding under the Kigali HFC implementation plan, based on their cut-off date of establishment of manufacturing using HFC-blends.

78. The Executive Committee decided:

- (a) To note the request from the Government of the Philippines to remove the air-conditioning (AC) manufacturing sector plan from stage II of the HCFC phase-out management plan (HPMP) contained in UNEP/OzL.Pro/ExCom/80/48, noting that all enterprises included in the sector plan have phased out their consumption of HCFC-22 (15.57 ODP tonnes);
- (b) To further note:
 - (i) That the amount of US \$2,073,988, comprising US \$1,793,307 for the AC manufacturing sector plan, the associated project management unit (PMU) costs of US \$145,000, plus agency support costs of US \$135,681 for UNIDO, approved in principle for stage II of the HPMP, would be removed from the Agreement between the Government of the Philippines and the Executive Committee; and
 - (ii) That the Fund Secretariat has updated the Agreement between the Government of the Philippines and the Executive Committee, contained in Annex VI to the present report, specifically: Appendix 2-A to reflect the removal of the AC manufacturing sector plan and paragraph 17 to indicate that the revised updated Agreement supersedes that reached at the 83rd meeting;
- (c) To request UNIDO to return to the Multilateral Fund the amount of US \$212,152 consisting of US \$53,273 for the AC manufacturing sector plan and the associated PMU costs of US \$145,000, plus agency support costs of US \$13,879 for UNIDO approved as part of the first tranche of stage II of the HPMP, to the 89th meeting;
- (d) To approve the tranche implementation plan for 2021-2022 for all remaining stage II activities; and
- (e) To request the Government of the Philippines and UNIDO to submit progress reports on a yearly basis on the implementation of the work programme associated with the final tranche until the completion of the project, verification reports until approval of stage III, and the project completion report to the second meeting in 2023.

(Decision 87/??)

Uruguay: HCFC phase-out management plan (stage II – request for extension of the completion date for the third (and final) tranche and progress report on foam sector implementation) (UNDP)

79. Information relating to the HPMP was set out in paragraphs 196 to 209 of document UNEP/OzL.Pro/ExCom/87/9.

80. The Executive Committee decided:

- (a) To note the progress report on the implementation of the third (and final) tranche of stage II of the HCFC phase-out management plan of (HPMP) for Uruguay and the report on the implementation of the foam sector conversion project;
- (b) To approve, on an exceptional basis, the extension of the date of completion of stage II of the HPMP for Uruguay to 31 December 2022, given the delay in implementing phase-out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested;
- (c) To note that the ban on imports of HCFC-141b contained in imported pre-blended polyols would be effective from 1 January 2023;
- (d) To request UNDP to continue to report to the 89th meeting on the progress in implementation of the conversion of the foam enterprises and the availability of HFO/HFO-based polyurethane systems and their associated components; and
- (e) To request the Government of Uruguay and UNDP to submit a progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2023.

(Decision 87/??)

Change of implementing agencies

Ecuador: Change of implementing agency for the institutional strengthening and the HCFC phase-out management plan (stages I and II) (UNIDO and UNEP)

81. Information relating to the request for change of implementing agency was set out in paragraphs 210 to 214 of document UNEP/OzL.Pro/ExCom/87/9.

82. The Executive Committee decided:

- (a) To note:
 - (i) The request by the Government of Ecuador to transfer to UNIDO phase VII of the institutional strengthening project (IS) project and all the phase-out activities included in the fifth tranche of stage I, and stage II of the HCFC phase-out management plan (HPMP) for implementation by UNEP;
 - (ii) That the Fund Secretariat has updated the Agreement between the Government of Ecuador and the Executive Committee for stage I of the HPMP, as contained in Annex VII to the present report, specifically Appendix 2-A, on the basis of the transfer of UNEP's component to UNIDO for the fifth tranche, and paragraph 16, to indicate that the revised updated Agreement supersedes that reached at the 81st meeting;

- (iii) That the Fund Secretariat has updated the Agreement between the Government of Ecuador and the Executive Committee for stage II of the HPMP, as contained in Annex VIII to the present report, specifically to remove all references to the Cooperating Agency and Appendix 6-B, reallocate all funding from UNEP to UNIDO in Appendix 2-A, and to add a new paragraph 17 to indicate that UNEP stopped being the cooperating agency as of the 87th meeting and that the updated Agreement supersedes that reached at the 86th meeting;
- (b) With regard to phase VII of the IS project (ECU/SEV/83/INS/71):
 - (i) To request UNEP to return to the Multilateral Fund at the 87th meeting the funding of US \$226,305;
 - (ii) To approve the transfer to UNIDO of the funding of US \$226,305, plus agency support costs of US \$15,841;
- (c) With regard to the fifth tranche of stage I of the HPMP (ECU/SEV/85/TAS/73):
 - (i) To request UNEP to return to the Multilateral Fund at the 87th meeting the funding of US \$10,000, plus agency support costs of US \$1,300;
 - (ii) To approve the transfer to UNIDO of the funding of US \$10,000, plus agency support costs of US \$700;
- (d) With regard to the first tranche of stage II of the HPMP (ECU/SEV/86/TAS/74):
 - (i) To request UNEP to return to the Multilateral Fund at the 87th meeting the funding of US \$24,000, plus agency support costs of US \$3,120;
 - (ii) To approve the transfer to UNIDO of the funding of US \$24,000, plus agency support costs of US \$1,680; and
- (e) Further to approve the transfer from UNEP to UNIDO of the funding of US \$71,000, plus agency support costs of US \$4,970, approved in principle, associated with the second, third and fourth tranches of stage II of the HPMP.

(Decision 87/??)

Report on HFC-related activities that require an extension of their completion date

83. Information relating to the HFC-related activities that require an extension was set out in paragraphs 215 to 220 of document UNEP/OzL.Pro/ExCom/87/9.

84. The Executive Committee decided:

- (a) To note:
 - (i) The report on HFC-related activities that require an extension of their completion date, submitted by the Governments of Canada, France, Germany and Italy, and UNDP, UNEP, UNIDO and the World Bank, and contained in paragraphs 215 to 219 and Annex VII of document UNEP/OzL.Pro/ExCom/87/9;

- (ii) With appreciation, the completion of 60 HFC-related projects and activities in light of constraints imposed by the COVID-19 pandemic in project implementation; and
- (b) To approve the extension of the HFC-related activities contained in Annex IX to the present report, to the date indicated in the last column of the Annex, on an exceptional basis due to constraints on account of the COVID-19 pandemic; and to encourage bilateral and implementing agencies to continue assisting Article 5 countries in completing these activities as soon as possible.

(Decision 87/??)

Requests for extension of enabling activities in line with decision 81/32(a)

85. Information relating to the requests for extension of enabling activities was set out in paragraphs 221 to 223 of document UNEP/OzL.Pro/ExCom/87/9.

86. One member noted that the extension date for the enabling activities for Belize should be December 2022, instead of June 2022. The Secretariat also noted that the extension date of 30 June 2022 for the enabling activities for Haiti and the Republic of Moldova should be December 2022.

87. Subsequently, the Executive Committee decided:

- (a) To note the requests for extension of enabling activities for HFC phase down submitted by the respective implementing agencies for the six Article 5 countries listed in Table 16 of document UNEP/OzL.Pro/ExCom/87/9; and
- (b) To extend the completion date for the enabling activities for HFC phase down to 30 June 2022 for Algeria and Burundi and to 31 December 2022 for Belize, Guinea, Haiti and the Republic of Moldova on the understanding that no further extension would be requested and that respective implementing agencies would submit, within six months of the project completion date, a final report of the enabling activities completed in line with decision 81/32(b).

(Decision 87/??)

88. During the IAP-87, the Executive Committee considered the reports on projects with specific reporting requirements for China contained in document UNEP/OzL.Pro/ExCom/87/9/Add.1.

89. The Executive Committee agreed to defer part II, report on progress in the implementation of activities listed in decision 83/41(e) and part III, study to determine the regulatory, enforcement, policy or market circumstances that might have led to the illegal production and use of CFC-11 and CFC-12 (decision 83/41(d)) to the 88th meeting.

90. In responding to a proposal by a member to include a recommendation addressing part II and part III of document UNEP/OzL.Pro/ExCom/87/9/Add.1, to enable a holistic consideration of the issue on monitoring, reporting and verification that is deferred to the 88th meeting, the Secretariat drew attention to document UNEP/OzL.Pro/ExCom/87/IAP/1/Rev.2, where the Executive Committee had agreed to defer to the 88th meeting the two reports submitted by the Government of China. The Secretariat further proposed that the member consider providing its suggestions on this item during the Executive Committee's deliberations at its 88th meeting or during the consultation on procedures for conducting the 88th meeting. Following clarifications provided by the Secretariat, the member withdrew his proposed.

91. Subsequent to the issuance of document UNEP/OzL.Pro/ExCom/87/IAP/2, the Government of China reaffirmed that it has strictly followed the requirements of decision 83/41 and has already completed and submitted the two reports requested by the decision. The Government of China further noted that the recommendation proposed for part II and part III of document UNEP/OzL.Pro/ExCom/87/9/Add.1 is beyond the scope of discussion during the IAP-87.

Part I: Financial audit reports for the CFC production, halon, PU foam, process agent II, refrigeration servicing and solvent sectors (decision 86/41))

92. Information relating to the financial audit reports was set out in paragraphs 3 to 11 of document UNEP/OzL.Pro/ExCom/87/9/Add.1.

93. Noting that the Senior Monitoring and Evaluation Officer (SMEO), that was appointed in July 2021, will need to continue working with the relevant implementing agencies to ensure the financial data is included in those project completion reports (PCRs) where such is not included, one member proposed to reflect that in the recommendation. The Secretariat noted that the proposal by the member is a follow-up to decision 86/41(c) and suggested adjustments to the proposed text for the recommendation to make it consistent with the previous decision, as reflected in document UNEP/OzL.Pro/ExCom/87/IAP/2.

94. Subsequent to the issuance of document UNEP/OzL.Pro/ExCom/87/IAP/2, emphasizing that decision 86/41(c) has already clearly reflected the requirements for those PCRs, one member proposed further adjustments to reflect that the proposed text for the recommendation is not a new proposal.

95. Subsequently, the Executive Committee decided to note:

- (a) The financial audit report for the halon and process agent II sector plans in China, contained in document UNEP/OzL.Pro/ExCom/87/9/Add.1;
- (b) That the World Bank will return the remaining balance of US \$8,723,002 from the halon sector plan, and accumulated interest of US \$22,163, associated with the halon and process agent II sector plans, to the 87th meeting; and
- (c) That, in accordance with decision 86/41(c), the Senior Monitoring and Evaluation Officer would continue working with the relevant implementing agencies to ensure that the project completion reports submitted for the refrigeration servicing and solvent sector plans that have been completed in December 2019, reflect disbursements to final beneficiaries, consistent with the information provided in the financial audit reports submitted to the 86th meeting.

(Decision 87/??)

(b) 2021 consolidated project completion report

96. During the IAP-87, the Executive Committee considered document UNEP/OzL.Pro/ExCom/87/10.

97. One member proposed that the Executive Committee request the Secretariat to provide, based on completed projects reported in document UNEP/OzL.Pro/ExCom/87/10, an overview on costs and reduction of controlled substances achieved including a summary of the actual cost-effectiveness of the implemented projects, to the 88th meeting. In addressing this request, the Secretariat explained that it could not provide the information requested as the format for PCRs for multi-year agreements (MYA) do not include such information, and that individual PCRs provide information on the cost-effectiveness of completed projects which is available upon request on a more detailed level. Following the clarification

provided by the Secretariat, the member indicated that he would contact the Secretariat in the future should more detailed information on the issue be required.

98. The Executive Committee decided:

- (a) To note the 2021 consolidated project completion report (PCR) contained in document UNEP/OzL.Pro/ExCom/87/10;
- (b) To urge bilateral and implementing agencies to submit, at the 88th meeting, outstanding PCRs for multi-year agreements (MYAs) and individual projects, or to provide reasons for failing to do so;
- (c) To urge lead and cooperating agencies to coordinate their work closely in finalizing their portion of PCRs to allow the lead implementing agency to submit the completed PCRs on schedule;
- (d) To urge bilateral and implementing agencies to enter clear, well-written and thorough lessons when submitting their PCRs; and
- (e) To invite all those involved in the preparation and implementation of MYAs and individual projects to take into consideration the lessons learned from PCRs, if relevant, when preparing and implementing future projects.

(Decision 87/??)

AGENDA ITEM 8: BUSINESS PLANNING

(a) Update on the status of implementation of the 2021-2023 consolidated business plan of the Multilateral Fund

99. During the IAP-87, the Executive Committee considered document UNEP/OzL.Pro/ExCom/87/11.

100. In response to a request by one member, the Secretariat provided an explanation of the difference between the updated amount for the carry-over for the 2018-2020 triennium indicated in the document and the interim budget for the Multilateral Fund adopted at the 32nd Meeting of the Parties.

101. The Executive Committee noted:

- (a) The update on the status of implementation of the 2021–2023 consolidated business plan of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/87/11;
- (b) That the total value of activities submitted to the 87th meeting amounts to US \$22,042,297 (including US \$8,802,041 for HFC-related activities), of which US \$1,003,880 is associated with project proposals not included in the 2021 business plan; and
- (c) With appreciation, the report provided by UNIDO on the outcome of its discussion with the Government of Iraq on the issues raised in the assessment of its qualitative performance, in line with decision 86/8(b).

(b) Tranche submission delays

102. During the IAP-87, the Executive Committee considered documents UNEP/OzL.Pro/ExCom/87/12 and Corr.1.

103. In response to a comment by one member, the Secretariat indicated that 52 tranches of HPMPs for 37 Article 5 countries were due for submission at the 87th meeting. Of the 52 tranches, 36 tranches of HPMPs for 23 Article 5 countries were not submitted to the 87th meeting, i.e., a non-submission rate of 69 per cent.

104. The Executive Committee decided:

- (a) To note:
 - (i) The report on tranche submission delays contained in documents UNEP/OzL.Pro/ExCom/87/12 and Corr.1;
 - (ii) The information on tranche submission delays under HCFC phase-out management plans (HPMPs) submitted by the Governments of Germany and Italy, and UNDP, UNEP, UNIDO and the World Bank;
 - (iii) That 16 out of 52 activities (14 out of 37 countries) related to tranches of HPMPs due for submission at the 87th meeting had been submitted on time;
 - (iv) That relevant bilateral and implementing agencies had indicated that the late submission of the tranches of HPMPs due for submission at the first meeting of 2021 would have no impact, or was unlikely to have an impact, on compliance with the Montreal Protocol, and that there was no indication that any of the countries concerned were in non-compliance with the Montreal Protocol control measures; and
- (b) To request the Secretariat to send letters to the relevant Governments regarding the decisions on tranche submission delays contained in Annex X to the present report.

(Decision 87/??)

AGENDA ITEM 9: PROJECT PROPOSALS

(a) Overview of issues identified during project review

105. During IAP-87, the Executive Committee considered document UNEP/OzL.Pro/ExCom/87/13.

Parallel implementation of HFC and HCFC regimes to be addressed within stage III of HPMPs

106. Noting that at present project proposals for HPMPs do not reflect that parallel implementation of HCFC phase-out and HFC phase-down could require not only coordination but also integration of certain aspects and framework, one member considered it would be useful for forthcoming stage III of HPMPs to address the issue.

107. In addressing the comment by the member, the Secretariat noted that in reviewing submission of HPMPs, it takes into consideration all decisions of the Executive Committee and relevant decisions of the Parties, including decisions relating to the accelerated phase-out of HCFCs, and discusses consistently with bilateral and implementing agencies actions proposed in both manufacturing and refrigeration servicing sectors to promote and facilitate the introduction of alternatives to HCFCs that minimize environmental impacts, in particular impacts on climate. The Secretariat also noted that the majority of manufacturing enterprises funded under the HPMPs were converted to low-GWP-based technologies; that activities in the refrigeration servicing sector, such as strengthening training institutions and preparing refrigeration technicians in the proper management of alternative refrigerants, including flammable or toxic refrigerants,

are consistent with future HFC phase-down to avoid potential inconsistencies and/or duplication of activities to the extent possible. The Secretariat further pointed out that once the Executive Committee concludes its discussion of several HFC policy-related documents and provides guidance on the integrated/parallel implementation of HFC phase-down plans with ongoing HPMPs, the Secretariat and bilateral and implementing agencies would incorporate those considerations in the formulation, review and implementation of HFC phase-down plans, noting that many final stages of HPMPs are already under implementation.

Requests for preparatory funding for HFC phase-down plans included in the work programmes of UNDP, UNEP, UNIDO and the World Bank, and the bilateral cooperation of the Government of Germany

108. At the formal online 87th meeting, the Executive considered all the requests for funding for the preparation of HFC phase-down plans submitted to date. Some had already been submitted at the 85th and 86th meetings and deferred in the absence of agreement on the draft guidelines for the preparation of HFC phase-down plans for Article 5 countries.

109. As outlined in Table 1 of document UNEP/OzL.Pro/ExCom/87/13, since the 85th meeting, four implementing agencies had included in their work programmes or work programme amendments, and one bilateral agency had included in the document on bilateral cooperation, requests for funding for the preparation of HFC phase-down plans for 35 Article 5 countries. The amounts requested were indicative, as the actual funding was to be decided following adoption of guidelines for funding the preparation of HFC phase-down plans.

110. Pursuant to the decision by the Executive Committee under agenda item 13(c), draft guidelines for the preparation of HFC phase-down plans for Article 5 countries, by which it approved the guidelines (decision 87/??), all the requests for preparatory funding for Kigali HFC implementation plans (KIPs) included by the Government of Germany in the document on bilateral cooperation, and by UNDP, UNEP, UNIDO and the World Bank in the agencies' 2021 work programmes, were also approved (see decisions 87/??, 87/??, 87/??, 87/?? and 87/??).

Verification reports of LVC countries' compliance with their HPMP agreements

111. In line with decision 61/46(c),⁹ the Secretariat selected a sample of 17 Article 5 countries for the purpose of verifying compliance with the HPMP agreement. The Executive Committee decided to request relevant bilateral and implementing agencies to include in their amendments to their respective work programmes, due for submission to the 88th meeting, funding in the amount of US \$30,000 plus agency support costs for verification reports for stage II or stage III of the HPMPs for Albania, Botswana, Cuba, Djibouti, Gambia (the), Guinea-Bissau, Honduras, Lao People's Democratic Republic, Mauritius, Mongolia, Montenegro, Nepal, Nicaragua, Sao Tome and Principe, Serbia, Turkmenistan and Zimbabwe.

(Decision 87/??)

Projects and activities recommended for blanket approval

112. In response to a comment by two members, the Secretariat provided additional information on the request for the third tranche for the HPMP for Belize (UNEP/OzL.Pro/ExCom/ExCom/87/19), in particular, the longstanding issue of high leakage rate from refrigeration and air-conditioning equipment, noting that the issue was extensively discussed with the implementing agency during the project review process, and

⁹ The Secretariat was requested to provide, at the first meeting of each year, a list representing 20 per cent of countries with an HCFC consumption baseline of up to 360 metric tonnes (mt), and with an approved HPMP, to approve funding for them for the purposes of verification of that country's compliance with the HPMP agreement for that year.

that the Government of Belize will address the issue in stage II and report on its efforts in subsequent tranches of the HPMP.

113. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex XI to the present report, together with the conditions or provisions included in the corresponding project evaluation documents and the conditions attached to the projects by the Executive Committee; and noting that the following agreements had been updated:
 - (i) The Agreement between the Government of Belize and the Executive Committee, to reflect the extension of the duration of stage I and the complete phase-out of HCFC-141b by 1 January 2022, as contained in Annex XII to the present report;
 - (ii) The Agreement between the Government of Saint Lucia and the Executive Committee, to reflect the extension of the duration of stage I and the revised funding schedule, the changes in monitoring institutions and roles, as contained in Annex XIII to the present report;
- (b) That, for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments as contained in Annex XIV to the present report.

(b) Bilateral cooperation

114. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/14, which contained requests from two bilateral agencies for seven HCFC-related projects for five countries and for preparation of HFC phase-down management plans for three countries. All the requests, with the exception of the three requests for project preparation for HFC phase down management plans, had been included in the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

115. The Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved at the 87th meeting as follows:

- (a) US \$1,102,511 (including agency support costs) against the balance of the bilateral contribution of the Government of Germany for 2021; and
- (b) US \$29,832 (including agency support costs) against the balance of the bilateral contribution of the Government of Japan for 2021.

(Decision 87/??)

Project preparation for HFC phase-down plans (Burkina Faso, Liberia and Mauritius)

116. During the formal online 87th meeting, the Executive Committee considered information relating to three requests, submitted by the Government of Germany, for funding for the preparation of HFC phase-down plans contained in document UNEP/OzL.Pro/ExCom/87/14.

117. Pursuant to the approval of the guidelines for the preparation of KIPs in decision 87/??, the Executive Committee decided to approve the requests, submitted by the Government of Germany, for funding the preparation of Kigali HFC implementation plans for:

- (a) Burkina Faso, in the amount of US \$190,000, plus agency support costs of US \$24,700;
- (b) Liberia, in the amount of US \$130,000, plus agency support costs of US \$16,900; and
- (c) Mauritius, in the amount of US \$170,000, plus agency support costs of US \$22,100.

(Decision 87/??)

(c) Work programmes

(i) Work programme of UNDP for 2021

118. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/15, which set out 29 activities, comprising two requests for renewal of institutional strengthening projects; eight requests for preparation of stage III of HCFC phase-out management plans in four countries, including for four investment activities in two countries; and 19 requests for preparation of HFC phase-down management plans including 11 proposals submitted to the 85th and 86th meetings and deferred to the 87th meeting. All the requests, with the exception of the 19 requests for project preparation for HFC phase-down management plans, had been included in the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

Project preparation for HFC phase-down plans (Bhutan, Colombia, Costa Rica, Cuba, Dominican Republic, Eswatini, Ghana, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Maldives, Mexico, Nigeria, Panama, Paraguay, Peru, Sri Lanka, Trinidad and Tobago and Uruguay)

119. At the formal online 87th meeting, the Executive Committee considered information related to 19 requests, submitted by UNDP, for funding for the preparation of HFC phase-down plans for Article 5 countries contained in document UNEP/OzL.Pro/ExCom/87/15.

120. Pursuant to the approval of the guidelines for the preparation of KIPs in decision 87/??, the Executive Committee decided to approve the requests, submitted by the UNDP, for funding for the preparation of Kigali HFC implementation plans for:

- (a) Bhutan, in the amount of US \$25,000, plus agency support costs of US \$1,750;
- (b) Eswatini, in the amount of US \$30,000, plus agency support costs of US \$2,100;
- (c) Lao People's Democratic Republic and Maldives, each in the amount of US \$35,000, plus agency support costs of US \$2,450;
- (d) Mexico, in the amount of US \$85,000, plus agency support costs of US \$5,950;
- (e) Kyrgyzstan, in the amount of US \$91,000, plus agency support costs of US \$6,370;
- (f) Ghana, in the amount of US \$130,000, plus agency support costs of US \$9,100;
- (g) Nigeria, in the amount of US \$137,000, plus agency support costs of US \$9,590; and
- (h) Sri Lanka, in the amount of US \$135,000, plus agency support costs of US \$9,450;
- (i) Costa Rica, Cuba, and Paraguay, each in the amount of US \$170,000, plus agency support costs of US \$11,900;

- (j) Dominican Republic, Lebanon, Panama, Peru, Trinidad and Tobago and Uruguay, each in the amount of US \$190,000, plus agency support costs of US \$13,300; and
- (k) Colombia, in the amount of US \$220,000, plus agency support costs of US \$15,400.

(Decision 87/??)

(ii) Work programme of UNEP for 2021

121. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/16, which set out 49 activities, comprising 34 requests for renewal of institutional strengthening projects; two requests for preparation of stage III of HCFC phase-out management plans; and 13 requests for preparation of HFC phase-down management plans including 11 proposals submitted to the 85th and 86th meetings and deferred to the 87th meeting. All the requests, with the exception of the 13 requests for project preparation for HFC phase-down management plans, had been included in the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

Project preparation for HFC phase-down plans (Albania, Armenia, Bhutan, Eswatini, Ghana, Kyrgyzstan, Lao People's Democratic Republic, Maldives, Mexico, Nigeria, Senegal, Sri Lanka and Turkmenistan)

122. At the formal online 87th meeting, the Executive Committee considered information related to 13 requests, submitted by UNEP, for funding for the preparation of HFC phase-down plans for Article 5 countries contained document UNEP/OzL.Pro/ExCom/87/16.

123. Pursuant to the approval of the guidelines for the preparation of KIPs in decision 87/??, the Executive Committee decided to approve the requests, submitted by the UNEP, for funding for the preparation of Kigali HFC implementation plans for:

- (a) Sri Lanka, in the amount of US \$35,000, plus agency support costs of US \$4,550;
- (b) Mexico, in the amount of US \$30,000, plus agency support costs of US \$3,900;
- (c) Kyrgyzstan, in the amount of US \$39,000, plus agency support costs of US \$5,070;
- (d) Albania, in the amount of US \$45,000, plus agency support costs of US \$5,850;
- (e) Nigeria, in the amount of US \$58,000, plus agency support costs of US \$7,540;
- (f) Ghana, in the amount of US \$60,000, plus agency support costs of US \$7,800;
- (g) Bhutan, in the amount of US \$75,000, plus agency support costs of US \$9,750;
- (h) Lao People's Democratic Republic and Maldives, each in the amount of US \$95,000, plus agency support costs of US \$12,350;
- (i) Eswatini, in the amount of US \$100,000, plus agency support costs of US \$13,000;
- (j) Senegal, in the amount of US \$135,000, plus agency support costs of US \$17,550; and
- (k) Armenia and Turkmenistan, each in the amount of US \$170,000, plus agency support costs of US \$22,100.

(Decision 87/??)

(iii) Work programme of UNIDO for 2021

124. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/17, which set out 14 activities, comprising two requests for preparation of stage III of HCFC phase-out management plan in one country including for one investment activity; and 12 requests for preparation of HFC phase-down management plans including eight proposals submitted to the 85th and 86th meetings and deferred to the 87th meeting. All the requests, with the exception of the 12 requests for project preparation for HFC phase-down management plans, had been included in the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

Project preparation for HFC phase-down plans (Albania, Bolivia (Plurinational State of), Ecuador, Jordan, Mexico, Montenegro, Nicaragua, Niger, Nigeria, North Macedonia, Senegal and South Africa)

125. At the formal online 87th meeting, the Executive Committee considered information related to 12 requests, submitted by UNIDO, for funding for the preparation of HFC phase-down plans for Article 5 countries contained in document UNEP/OzL.Pro/ExCom/87/17.

126. Pursuant to the approval of the guidelines for the preparation of KIPs in decision 87/??, the Executive Committee decided to approve the requests, submitted by the UNIDO, for funding for the preparation of Kigali HFC implementation plans for:

- (a) Nigeria, in the amount of US \$25,000, plus agency support costs of US \$1,750;
- (b) Senegal, in the amount of US \$55,000, plus agency support costs of US \$3,850;
- (c) Albania, in the amount of US \$85,000, plus agency support costs of US \$5,950;
- (d) Montenegro, in the amount of US \$100,000, plus agency support costs of US \$7,000;
- (e) Mexico, in the amount of US \$115,000, plus agency support costs of US \$8,050;
- (f) North Macedonia, in the amount of US \$130,000, plus agency support costs of US \$9,100;
- (g) Bolivia (Plurinational State of), Nicaragua and Niger, each in the amount of US \$170,000, plus agency support costs of US \$11,900;
- (h) Ecuador and Jordan, each in the amount of US \$190,000, plus agency support costs of US \$13,300; and
- (i) South Africa, in the amount of US \$220,000, plus agency support costs of US \$15,400.

(Decision 87/??)

(iv) Work programme of the World Bank for 2021Project preparation for an HFC phase-down plan (Malaysia)

127. At the formal online 87th meeting, the Executive Committee considered information related to a request, submitted by the World Bank, for funding for the preparation of a HFC phase-down plan for an Article 5 country contained in document UNEP/OzL.Pro/ExCom/87/18.

128. Pursuant to the approval of the guidelines for the preparation of KIPs in decision 87/??, the Executive Committee decided to approve the request, submitted by the World Bank, for funding for the preparation of a Kigali HFC implementation plan for Malaysia, in the amount of US \$220,000, plus agency support costs of US \$15,400.

(Decision 87/??)

(d) Investment projects

129. Executive Committee members agreed to consider during the IAP-87 the investment projects submitted for individual consideration for which all outstanding issues had been resolved.

130. One member requested clarification on the ban on import of HCFC-based RAC equipment, in particular the date for its introduction to avoid issues relating to the servicing tail after 2030, noting the different dates proposed among projects and discussions with governments on the matter, and to present an overview of all HPMPs under consideration at the 87th meeting with the dates for import bans on HCFC equipment and an explanation for their acceptance by the Secretariat taking into consideration broader policies, such as import quota and licensing, on the gradual phase-out schedule towards 2030 and the servicing tail.

131. From a policy perspective, the Secretariat drew attention to document UNEP/OzL.Pro/ExCom/70/53 on minimizing adverse climate impact of HCFC phase-out in the refrigeration servicing sector, in particular those aspects relating to control of HCFC-22 based equipment and the discussions of the document at the 70th meeting, and subsequent discussions at the 71st meeting, and 72nd meeting, where Article 5 countries *inter alia* felt that starting to limit the import of HCFC-based equipment might have the perverse effect of increasing the use of other high GWP-based equipment, and technical support would be needed if countries were to accomplish the actions proposed in the recommendation of the document. As a result of the discussions, the Executive Committee adopted decision 72/41, through which *inter alia* Article 5 countries were encouraged, when implementing their HPMPs, to consider, as needed and feasible, the development of regulations and codes of practice, and the adoption of standards for the safe introduction of flammable and toxic refrigerants given the potential risk of accidents and negative effects on health associated with their use; and measures to limit the import of HCFC-based equipment and to facilitate the introduction of energy-efficient and climate-friendly alternatives. The Secretariat also drew attention to decision 86/51 on the servicing tail in the context of the HPMPs. Through this decision, the Executive Committee decided *inter alia* that, to allow for consideration of the final tranches of the HPMPs for any country requesting funding for the complete phase out of HCFCs, the relevant Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040.

132. From a project perspective, the Secretariat indicated that during the review process of HPMP proposals, the Secretariat considers the matter of controls on imports of HCFC-based equipment on a case-by-case basis, as the issuance of such controls depend on the circumstances prevailing in each Article 5 country, including *inter alia* the availability of low-GWP alternative technologies. Several factors are taken into consideration when determining the time of controls on the import of HCFC-based equipment,

including the baseline consumption; the current and anticipated consumption level after 2030; the current population of HCFC-based equipment; leakage rates, servicing practices, capacity to reuse refrigerants and the capacity of retrofitting to low-GWP alternatives; availability of affordable low-GWP refrigerant-based equipment; and readiness of training infrastructure to handle those equipment.

133. In Article 5 countries with enterprises manufacturing HCFC-based equipment, regulatory measures and controls are established upon the full conversion of the manufacturing capacity to non-HCFC technologies, ensuring the long-term sustainability of the conversions.

134. For Article 5 countries that do not have local manufacturing of HCFC-based equipment, the regulatory measures to control the import of HCFC-based equipment are considered in the context of the activities in the refrigeration servicing sector. As a result, during the implementation of stage I (and some stage II) of their HPMPs, a large number of Article 5 countries established measures to control the import of HCFC-based equipment, including bans issued at a specific date.

135. As Article 5 countries enter into the last stages of their HPMPs, the Secretariat continues to analyze and discuss this matter with the relevant bilateral and implementing agencies on a case-by-case basis, taking into consideration the specific national circumstances of each country, that an early control in the influx of HCFC-based equipment could potentially result in an increase of HFC-based equipment if low-GWP alternatives are not available at an affordable price and regulatory framework do not allow for the safe handling of the alternative technologies, while a later control would potentially result in additional needs for servicing of such equipment after 2030.

136. The Secretariat presented the overview table with the requested information for all the HPMPs submitted for consideration at the 87th meeting as contained in Annex I to document UNEP/OzL.Pro/ExCom/IAP/2.

Stage II of HPMPs

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

137. The Executive Committee considered information relating to the HPMP presented in document UNEP/OzL.Pro/ExCom/87/19 in paragraphs 25 to 46.

138. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Belize for the period from 2021 to 2030, in the amount of US \$582,321, consisting of US \$388,000, plus agency support costs of US \$50,441 for UNEP, and US \$132,000, plus agency support costs of US \$11,880 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Belize:
 - (i) To completely phase out HCFCs and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To establish a ban on the import of HCFC-based equipment by 1 January 2023;

- (c) To deduct 1.74 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Belize and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XV to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Belize should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption is in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Belize for the period 2030-2040; and
- (f) To approve the first tranche of stage II of the HPMP for Belize, and the corresponding tranche implementation plan, in the amount of US \$188,247, consisting of US \$95,350, plus agency support costs of US \$12,396 for UNEP, and US \$73,854, plus agency support costs of US \$6,647 for UNDP.

(Decision 87/??)

Bolivia (Plurinational State of): HCFC phase-out management plan (stage II – first tranche) (UNIDO and UNEP)

139. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/21.

140. In response to a request by one member for the reason for the ban on R-290, it was noted that the legislation in place bans the import of any hydrocarbon produced and refined in the country. UNIDO indicated that it has been working with the Government for several years to ensure the availability of refrigerant-grade R-290 in the local market.

141. The member also raised concern about counterfeit refrigerants in the country and asked when penalties for infractions would be put into place. UNIDO indicated that the penalties for infractions are not planned given the challenges associated with their enforcement. Instead, the issue would be addressed through public awareness; drawing the attention of and working with importers; training technicians and end-users; and demonstrating the potential consequences of the use of counterfeit refrigerants in refrigeration equipment, including increased energy consumption.

142. As requested by another member, UNIDO confirmed that as reflected in the Agreement with the Executive Committee, the country is committed to annual sustained reduction in consumption of HCFCs, which are beyond those required under the Montreal Protocol schedule, reflecting the Government's commitment to the sustained phase-out of HCFCs and advancing the objectives of the Montreal Protocol. Furthermore, the Government has committed to phase out HCFCs by 2030 with no servicing tail in 2030-2040, ban the import of HCFC-based RAC equipment by 1 January 2023, and issuing other regulations as reflected in the recommendation.

143. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Plurinational State of Bolivia for the period from 2021 to 2030 for the complete

phase-out of HCFC consumption, in the amount of US \$633,165, consisting of US \$506,729, plus agency support costs of US \$35,471 for UNIDO, and US \$80,500, plus agency support costs of US \$10,465 for UNEP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

- (b) To note the commitment of the Government of the Plurinational State of Bolivia:
 - (i) To ban the import of HCFC-based refrigeration and air-conditioning (RAC) equipment by 1 January 2023;
 - (ii) To ban the import of HCFC-141b and HCFC-141b contained in imported pre-blended polyols by 1 January 2024;
 - (iii) To implement the RAC technician certification scheme by 1 January 2025;
 - (iv) To, by 1 January 2026:
 - a. Implement an electronic licensing system;
 - b. Implement a prohibition on venting of HCFCs during installation, servicing and decommissioning of RAC equipment, and a prohibition on disposable cylinders;
 - c. Finalize and implement a regulation requiring recovery of HCFCs during the servicing of RAC equipment, and regulation requiring leak checking for larger equipment (greater than 3 kg of refrigerant);
 - d. Establish a code of practice for RAC technicians;
 - (v) To reduce HCFC consumption by 45 per cent of the country's baseline by 1 January 2022, 67.5 per cent by 1 January 2025, 85 per cent by 1 January 2028, and phase out HCFCs completely by 1 January 2030, and to ban the import of HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 4.57 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of the Plurinational State of Bolivia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XVI to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of the Plurinational State of Bolivia should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in the Plurinational State of Bolivia for the period 2030-2040; and

- (f) To approve the first tranche of stage II of the HPMP for the Plurinational State of Bolivia, and the corresponding tranche implementation plans, in the amount of US \$178,000, consisting of US \$141,009, plus agency support costs of US \$9,871 for UNIDO, and US \$24,000, plus agency support costs of US \$3,120 for UNEP.

(Decision 87/??)

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

144. The Executive Committee considered information relating to the HPMP presented in document UNEP/OzL.Pro/ExCom/87/22 in paragraphs 20 to 40.

145. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Bosnia and Herzegovina for the period from 2021 to 2026 for the complete phase-out of HCFC consumption, in the amount of US \$473,934, plus agency support costs of US \$33,176 for UNIDO, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs and no servicing tail will be needed;
- (b) To note the commitment of the Government of Bosnia and Herzegovina:
- (i) To finalize regulations requiring recovery of HCFCs during the servicing of refrigeration and air-conditioning (RAC) equipment by 31 December 2022;
- (ii) To establish penalties for contraventions to the prohibition on venting of HCFCs during installation, servicing, and decommissioning of RAC equipment by 31 December 2022;
- (iii) To establish by 1 January 2026:
- a. Mandatory record-keeping practices, including refrigerant and equipment logbooks for systems containing more than 3 kg of refrigerant;
- b. Mandatory recovery of HCFCs from containers and equipment at their end-of-life;
- c. Prohibition of disposable refrigerant cylinders;
- d. Regulation allowing sale of HCFCs to certified technicians only;
- (iv) Reduce HCFC consumption by 75 per cent in 2021, 80 per cent in 2023, and 90 per cent in 2025;
- (v) Phase out HCFCs completely by 1 January 2026 in advance of the Montreal Protocol phase-out schedule, and to ban the import of HCFCs by 1 January 2026;
- (c) To deduct 1.59 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Bosnia and Herzegovina and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XVII to the present report; and

- (e) To approve the first tranche of stage II of the HPMP for Bosnia and Herzegovina, and the corresponding tranche implementation plan, in the amount of US \$126,140, plus agency support costs of US \$8,830 for UNIDO.

(Decision 87/??)

El Salvador: HCFC phase-out management plan (stage II – first tranche) (UNDP and UNEP)

146. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/26.

147. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for El Salvador for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$698,320, consisting of US \$603,000, plus agency support costs of US \$42,210 for UNDP, and US \$47,000, plus agency support costs of US \$6,110 for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of El Salvador:
 - (i) To reduce HCFC consumption by 54 per cent of the country's baseline by 2021, 71 per cent by 2022, 75 per cent by 2025, 80 per cent by 2026, and 97.5 per cent by 2028 and phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To ban the import of HCFC-based equipment by 1 January 2025;
- (c) To deduct 7.59 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of El Salvador and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XVIII to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of El Salvador should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in El Salvador for the period 2030-2040; and
- (f) To approve the first tranche of stage II of the HPMP for El Salvador, and the corresponding tranche implementation plans, in the amount of US \$210,210, consisting of US \$169,000, plus agency support costs of US \$11,830 for UNDP, and US \$26,000 plus agency support costs of US \$3,380 for UNEP.

(Decision 87/??)

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

148. The Executive Committee considered documents UNEP/OzL.Pro/ExCom/87/28 and Corr.1.
149. The Executive Committee decided:
- (a) To approve the request for extension of the implementation of stage I of the HPMP to 30 June 2022 noting that no further extension would be requested;
 - (b) To request the Government of Ghana to submit an updated progress report for stage I of the HPMP, as well as a verification report on HCFC consumption to the 88th meeting and a project completion report to the second meeting of 2022;
 - (c) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Ghana for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,759,507, consisting of US \$1,159,970, plus agency support costs of US \$81,198 for UNDP, and US \$458,707, plus agency support costs of US \$59,632 for UNEP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;
 - (d) To note the commitment of the Government of Ghana:
 - (i) To reduce HCFC consumption by 70 per cent of the country's baseline by 2022, 74 per cent by 2023, 79 per cent by 2025, 85 per cent by 2026, 91 per cent by 2029 and to phase out HCFCs completely by 1 January 2030, and that HCFC would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To ban the import of HCFC-based equipment by 1 January 2025;
 - (iii) To ban the import of all HCFCs by 1 January 2033;
 - (e) To deduct 31.03 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
 - (f) To approve the Agreement between the Government of Ghana and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XIX to the present report;
 - (g) That, to allow for consideration of the final tranche of its HPMP, the Government of Ghana should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and
 - (ii) The expected annual HCFC consumption in Ghana for the period 2030-2040; and
 - (h) To approve the first tranche of stage II of the HPMP for Ghana, and the corresponding tranche implementation plans, in the amount of US \$619,210, consisting of US \$459,820,

plus agency support costs of US \$32,187 for UNDP, and US \$112,569, plus agency support costs of US \$14,634 for UNEP.

(Decision 87/??)

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

150. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/30.

151. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Iraq for the period from 2021 to 2025 to reduce HCFC consumption by 69 per cent of the country's baseline, in the amount of US \$3,026,100, consisting of US \$1,840,000, plus agency support costs of US \$212,400 for UNEP, and US \$910,000, plus agency support costs of US \$63,700 for UNIDO;
- (b) To note the commitment of the Government of Iraq:
 - (i) To reduce HCFC consumption by 69 per cent of the country's baseline by 2025;
 - (ii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 31 December 2022;
- (c) That, to allow for the consideration of the second tranche of stage II of the HPMP:
 - (i) UNEP and UNIDO should confirm completion of stage I of the HPMP, submit the project completion reports and return any unused balances to the Fund; and
 - (ii) UNIDO should also confirm completion of the national phase-out plan (first tranche) (IRQ/PHA/58/INV/09) and the replacement of refrigerant CFC-12 with isobutane and foam blowing agent CFC-11 with cyclopentane in the manufacturing of domestic refrigerators and chest freezers at Light Industries Company for Iraq (IRQ/REF/57/INV/07), submit the project completion reports and return any unused balances to the Fund;
- (d) To deduct 32.79 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Iraq and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XX to the present report; and
- (f) To approve the first tranche of stage II of the HPMP for Iraq, and the corresponding tranche implementation plan, in the amount of US \$400,421, consisting of US \$335,000, plus agency support costs of US \$38,671 for UNEP, and US \$25,000, plus agency support costs of US \$1,750 for UNIDO.

(Decision 87/??)

Lesotho: HCFC phase-out management plan (stage II – first tranche) (Government of Germany)

152. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/31.

153. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Lesotho for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$470,000, plus agency support costs of US \$61,100 for the Government of Germany, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitments of the Government of Lesotho:
 - (i) To achieve 71 per cent reduction from the HCFC baseline consumption by 2021, 86 per cent by 2025 and phase out HCFCs completely by 1 January 2030 and only authorize the import of HCFCs for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To adopt safety standards for flammable refrigerants by 31 December 2022;
 - (iii) To establish a mandatory certification of technicians by 31 December 2023.
- (c) To deduct 1.00 ODP tonne of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Lesotho and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXI to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Lesotho should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Lesotho for the period 2030-2040; and
- (f) To approve the first tranche of stage II of the HPMP for Lesotho, and the corresponding tranche implementation plan, in the amount of US \$168,900, plus agency support costs of US \$21,957 for the Government of Germany.

(Decision 87/??)

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

154. The Executive Committee considered UNEP/OzL.Pro/ExCom/87/33.

155. The Executive Committee decided:

- (a) To approve, on an exceptional basis, the extension of the duration of stage I of the HPMP to 31 December 2022, given delay in implementing phase-out activities due to the COVID-19 pandemic, on the understanding that no further extension would be requested;
- (b) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for

Paraguay for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,280,897, consisting of US \$483,290, plus agency support costs of US \$62,828 for UNEP, and US \$686,710, plus agency support costs of US \$48,070 for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;

- (c) To note the commitment of the Government of Paraguay:
 - (i) To phase out HCFCs completely by 1 January 2030, and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To issue a ban on the import and use of HCFC-141b pure or contained in pre-blended polyols from 1 January 2024;
 - (iii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024;
- (d) To deduct 13.03 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Paraguay and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXII to the present report;
- (f) That, to allow for the consideration of the second tranche of stage II of the HPMP, UNEP and UNDP should submit the project completion report for stage I of the HPMP and return any unused balances to the Fund;
- (g) That, to allow for the consideration of the final tranche of stage II of its HPMP, the Government of Paraguay should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and
 - (ii) The expected annual HCFC consumption in Paraguay for the period 2030-2040; and
- (h) To approve the first tranche of stage II of the HPMP for Paraguay, and the corresponding tranche implementation plans, in the amount of US \$231,885, consisting of US \$109,055, plus agency support costs of US \$14,177 for UNEP, and US \$101,545, plus agency support costs of US \$7,108 for UNDP, on the understanding that the funds associated to UNEP would be transferred by the Treasurer to UNEP upon confirmation by UNEP to the Secretariat that the agreement for the implementation of the third tranche of stage I had been signed and the first advance of funds for that tranche had been transferred to the Government.

(Decision 87/??)

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

156. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/34.

157. Several members expressed support in approving the project noting *inter alia* that the Secretariat has addressed the concerns about the import of HCFC-141b polyols and the sustainability of the reclamation centre satisfactorily in its proposed recommendations, the overall low cost and additional deductions of remaining HCFC consumption eligible for funding being undertaken during implementation of stage II of the HPMP, and that the country and its ozone team will have a chance to complete the project and build their capacity to incorporate the effort towards activities contributing to compliance with the Kigali Amendment.

158. In response to a request for additional information, UNIDO indicated that the national ozone unit of Qatar has submitted a decree that includes a ban on import of all HCFC-based equipment, including commercial and industrial air-conditioning systems, to the Ministry Cabinet (General Secretariat) for review, the approval is expected within the coming months and the ban will be enforced within approximately one year. With regard to the information of the new use of HCFC-141b in pre-blended polyols for construction, UNIDO informed that there is a search for alternatives for building insulation; however, current alternatives are available only at a higher cost, and the Government of Qatar is exploring experiences in neighbouring countries in order to have a common approach. Regarding the missing data in years previous to 2019, it was clarified that no written or digital records are available.

159. Noting that more discussion is needed to explain the reason why stage I activities did not reduce demand for HCFC-22 in the servicing sector, and that stage II proposal remains unchanged from what was considered at the previous meeting, one member proposed deferral of the project.

160. Subsequently, the Executive Committee decided to defer consideration of stage II of the HCFC phase-out management plan for Qatar to the 88th meeting.

(Decision 87/??)

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

161. The Executive Committee considered information relating to the HPMP presented in document UNEP/OzL.Pro/ExCom/87/36 in paragraphs 24 to 49.

162. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Saint Lucia for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$601,320, consisting of US \$318,000, plus agency support costs of US \$41,340 for UNEP, and US \$222,000, plus agency support costs of US \$19,980 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Saint Lucia to reduce HCFC consumption by 47 per cent of the country's baseline by 2022, 67.5 per cent by 2025 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
- (c) To deduct 0.71 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

- (d) To approve the Agreement between the Government of Saint Lucia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIII to the present report;
- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Saint Lucia should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Saint Lucia for the period 2030-2040; and
- (f) To approve the first tranche of stage II of the HPMP for Saint Lucia, and the corresponding tranche implementation plans, in the amount of US \$182,000, consisting of US \$81,000, plus agency support costs of US \$10,530 for UNEP, and US \$83,000, plus agency support costs of US \$7,470 for UNIDO.

(Decision 87/??)

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

163. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/37.
164. The Executive Committee decided:
- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Sierra Leone for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$602,720, consisting of US \$353,000, plus agency support costs of US \$45,890 for UNEP, and US \$187,000, plus agency support costs of US \$16,830 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
 - (b) To note the commitment of the Government of Sierra Leone:
 - (i) To reduce HCFC consumption by 67 per cent of the country's baseline by 2021, 85 per cent by 2025 and to phase out HCFCs completely by 1 January 2030, and that HCFC imports would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To set up an online HCFC licensing and quota system by 1 January 2023; and
 - (iii) To ban the import of HCFC-based equipment by 1 January 2025.
 - (c) To deduct 1.09 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
 - (d) To approve the Agreement between the Government of Sierra Leone and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIV to the present report;

- (e) That, to allow for consideration of the final tranche of its HPMP, the Government of Sierra Leone should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in Sierra Leone for the period 2030-2040; and
- (f) To approve the first tranche of stage II of the HPMP for Sierra Leone, and the corresponding tranche implementation plans, in the amount of US \$280,080, consisting of US \$135,000 plus agency support costs of US \$17,550 for UNEP, and US \$117,000 plus agency support costs of US \$10,530 for UNIDO, on the understanding that the recommendations included in the verification report submitted to the 87th meeting would be addressed during the implementation of the first tranche of stage II of the HPMP and that the actions implemented towards that end would be included in the tranche implementation report to be submitted with the request of the second tranche of stage II of the HPMP for Sierra Leone.

(Decision 87/??)

United Republic of Tanzania: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

165. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/39.
166. The Executive Committee decided:
- (a) To approve, on an exceptional basis, the extension of the completion date of stage I of the HPMP for the United Republic of Tanzania to 31 December 2022, on the understanding that no further extension would be requested;
 - (b) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the United Republic of Tanzania for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$603,400, consisting of US \$370,000, plus agency support costs of US \$48,100 for UNEP, and US \$170,000, plus agency support costs of US \$15,300 for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
 - (c) To note the commitment of the Government of the United Republic of Tanzania:
 - (i) To phase out HCFCs completely by 1 January 2030, and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To set up an online HCFC licensing and quota system by 1 January 2023;
 - (iii) To issue a ban on the import of HCFC-based RAC equipment as of 1 January 2026;

- (d) To deduct 1.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of the United Republic of Tanzania and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXV to the present report;
- (f) That, to allow for consideration of the second tranche of stage II of the HPMP, UNEP and UNIDO should submit the project completion report for stage I of the HPMP and return any unused balances to the Fund, and UNEP should confirm that the country fulfills the recommendations of the verification report submitted to the 85th meeting;
- (g) That, to allow for consideration of the final tranche of stage II of its HPMP, the Government of the United Republic of Tanzania should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) The expected annual HCFC consumption in the United Republic of Tanzania for the period 2030-2040; and
- (h) To approve the first tranche of stage II of the HPMP for the United Republic of Tanzania, and the corresponding tranche implementation plans, in the amount of US \$303,925, consisting of US \$172,500, plus agency support costs of US \$22,425 for UNEP, and US \$100,000, plus agency support costs of US \$9,000 for UNIDO, on the understanding that funds associated with UNEP would be transferred to UNEP by the Treasurer upon confirmation by UNEP to the Secretariat that the agreement for the implementation of the third tranche of stage I had been signed.

(Decision 87/??)

Stage III of HPMPs

Republic of Moldova: HCFC phase-out management plan (stage III – first tranche) (UNDP and UNEP)

167. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/35.

168. While one member noted that through the end-user incentive scheme, the country would be provided with the opportunities to complete their efforts to phase out HCFCs demonstrating due considerations of the energy-efficiency issues during its implementation of stage II, another member requested that the project be deferred to a future meeting pending the provision of full information as outlined in decision 84/84 on the end-user incentive scheme component, which is a large part of the project comprising almost 60 per cent of the overall funding, to allow the Secretariat to fully evaluate that component of the project proposal.

169. Subsequently, the Executive Committee decided to defer consideration of stage III of the HCFC phase-out management plan for the Republic of Moldova to the 88th meeting.

(Decision 87/??)

HFC investment projects (decision 78/3(g))

Egypt: Conversion of refrigeration compressor manufacturing facility from HFC-134a-based compressors to R-600a-based compressors at Misr Compressor Manufacturing Co. (MCMC) (UNIDO and UNEP)

170. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/25.

171. Several members supported approval of the project for the conversion of refrigeration compressor manufacturing in Egypt, noting *inter alia* the facility being the only one manufacturing compressors in the African region, the availability of new compressors stimulating early action in the HFC phase-down in the country and the region including conversion at equipment manufacturers, the R-600a-based compressors being more energy efficient, the commitment of the Government of Egypt in establishing policies to ensure sustainability of conversion in the sector, and the early start of the conversion of a compressor industry allowing synchronization with the sector conversion. One member recognized it important that the Government of Egypt ratify the Kigali Amendment before disbursement of funding would take place. Another member proposed that the approval of the project be on an exceptional basis noting that that does not set precedent for approval of other stand-alone HFC projects in a virtual format or through an IAP. A third member, supportive of the Government's movement to promote the introduction and uptake of more energy efficient appliances, proposed modifications to paragraph (b)(v) of the recommendation, reflecting that regulatory measures to be implemented to promote the introduction of compressors using R-600a and other low-GWP refrigerants in the domestic and commercial stand-alone appliances manufacturing sector include, where appropriate, measures promoting manufacture, import, and uptake of more energy efficient appliances.

172. Two members however did not support approval of the project noting *inter alia* that the project is not in one of the priority sectors identified by decision 84/53 on individual HFC investment projects; that the relatively small compressor manufacturing sector, which does not contribute to direct phase-out of HFC consumption, does not yield incremental cost information as key manufacturing sectors; that two HFC compressor projects have already been approved; and that the impact and sustainability of the conversion is uncertain in view of the lack of relevant policies and strategies, and measures to ensure that local equipment manufacturers will convert to the new compressors. Both members welcomed such a project be included in a comprehensive sector plan or the first stage of the KIPs which should address the concerns on commitments by all related equipment manufacturers to convert and Government regulations to ensure the sustainability of the phase-out.

173. Subsequently, the Secretariat proposed modifications to the recommendation noting that no consensus was reached on approving the project, and that HFC stand-alone project proposals could be considered up to the 87th meeting in line with decision 84/53, in document UNEP/OzL.Pro/ExCom/IAP/2.

174. Following the issuance of document UNEP/OzL.Pro/ExCom/IAP/2, one member noted that as the 87th meeting has concluded, the latter phrase of the recommendation seems redundant and proposed removal of it. Another member, noting the late submission of the project, the limitations to discuss it in virtual format, and the situation where some members seeing high value of the project were willing to approve it while others maintained their reservations, asked whether the discussion on the project could be extended and resubmission to the 88th meeting could be considered, which would allow the relevant implementing agency and the country more time and opportunity to respond to the issues raised.

175. Subsequently, the Executive Committee decided to note that no consensus was reached on approving the project for conversion of refrigeration compressor manufacturing facility from HFC-134a-based compressors to R-600a-based compressors at Misr Compressor Manufacturing Co. in Egypt.

(Decision 87/??)

AGENDA ITEM 13: MATTERS RELATED TO THE KIGALI AMENDMENT TO THE MONTREAL PROTOCOL

(b) Potential strategies, policy measures and commitments, as well as projects and activities that could be integrated within stage I of HFC phase-down plans for Article 5 countries to ensure limits on growth and sustainable reductions in HFC consumption (decision 84/54(b))

176. At the formal online 87th meeting, the representative of the Secretariat recalled that, at its 84th meeting, the Executive Committee had requested the Secretariat to prepare, in addition to the draft guidelines for the preparation of HFC phase-down plans, potential strategies, policy measures and commitments, as well as projects and activities that could be integrated within stage I of the HFC phase-down plans, to ensure limits on growth, as well as reductions in HFC consumption that were sustained over time, taking into account the parallel or integrated implementation of HCFC phase-out and HFC phase-down activities, where appropriate.

177. The Executive Committee thus had before it document UNEP/OzL.Pro/ExCom/87/45, which comprised two parts: (i) potential strategies, policy measures, activities and commitments to limit the growth of HFC consumption that could be integrated within stage I of the HFC phase-down plans; and (ii) an overview of activities under HCFC phase-out and HFC phase-down during the period 2021–2030. Noting that one of the main goals of the Committee at the formal online 87th meeting was to reach agreement on the draft guidelines for the preparation of HFC phase-down plans, the representative of the Secretariat said that the document could assist the Committee in that respect, but the elements presented therein could also be considered separately.

178. In the ensuing discussion, there was general appreciation of the document prepared by the Secretariat, which was considered to raise a number of important issues and show opportunities for Article 5 countries to integrate or synchronize HFC phase-down and HCFC phase-out activities. Among the elements that were highlighted as interesting, or worthy of further consideration, were: possibilities for an integrated approach to HCFCs and HFCs; the use of lessons learned during the phase-out of CFCs and HCFCs; alignment of licensing and importing systems; opportunities for early action to limit growth in HFC consumption; the eligibility of sectors or sub-sectors to submit early plans; the provision of funding on a case-by-case basis; differentiated treatment of Article 5 group 1 and group 2 countries; and whether ratification of the Kigali Amendment was a requirement or whether a letter of intent should suffice.

179. A number of members from Article 5 Parties expressed concern that the proposed measures might contradict, be more stringent than or reduce the flexibility offered to Article 5 countries by decision XXVIII/2. In response, the representative of the Secretariat explained that the Secretariat was fully cognizant of the flexibility inherent in decision XXVIII/2 and thus the potential actions identified were optional, leaving countries to choose the approach that was most advantageous to them according to their national circumstances.

180. One member said that, although the integrated compliance strategy appeared on paper to be an excellent suggestion, it could be very hard to implement. Experience had shown that implementation plans were constantly updated and refined over time and, therefore, the synchronization of various tranches of different plans for different substances would be difficult. The task would fall to the NOUs, increasing the pressure on them. Another member, however, underlined that the integration of compliance plans could reduce the burden on NOUs, the agencies and the Secretariat in terms of tranches preparation and review. A third member proffered the view that the difficulty of the task of integrating HFC and HCFC activities and plans would vary from country to country and would not be problematic everywhere.

181. One member raised the issue of the impact of the COVID-19 pandemic on the calculation of the baseline of the Article 5 group 1 countries owing to the economic downturn and said that it was too soon

to consider limiting growth in HFC consumption without a better understanding of the dynamics of recovery.

182. Given the numerous complex issues dealt with in the document, a number of members said that they required more time to consider them fully and, in certain cases, more information on and analysis of the ideas raised. Several members were of the view that the subject matter could be considered properly only at an in-person meeting and proposed that the matter be deferred. Other members agreed to defer further consideration of the document at the 87th meeting to allow the Executive Committee to prioritize its discussions on the draft guidelines for the preparation of HFC phase-down plans. In having those discussions, however, the Committee should bear in mind some of the ideas raised in document UNEP/OzL.Pro/ExCom/87/45.

183. The Chief Officer clarified that, if the matter were deferred to the 88th meeting and that meeting turned out to be virtual, the Executive Committee could always decide to defer the item again. One member said, however, that he would not wish to defer consideration of document UNEP/OzL.Pro/ExCom/87/45 beyond the 88th meeting, especially if the Committee were to reach agreement on the draft guidelines for the preparation of HFC phase-down plans at the 87th meeting, as that would mean that the requests for related funding could be approved and it would be important to provide the relevant countries with support.

184. In response to a question by a member, the representative of the Secretariat confirmed that the approval of the sector plans proposed in the document would take place in the context of preparation of the HFC phase-down plans.

185. The Executive Committee decided to defer to its 88th meeting consideration of the potential strategies, policy measures and commitments, as well as projects and activities that could be integrated within stage I of HFC phase-down plans for Article 5 countries to ensure limits on growth and sustainable reductions in HFC consumption (decision 84/54(b)), contained in document UNEP/OzL.Pro/ExCom/87/45.

(Decision 87/??)

(c) Draft guidelines for the preparation of HFC phase-down plans for Article 5 countries (decision 86/93)

186. At the formal online 87th meeting, the Executive Committee continued its consideration of the draft guidelines for the preparation of HFC phase-down plans for Article 5 countries in accordance with decision 86/93. The Committee had agreed to reconstitute the contact group established at the 86th meeting and the group had undertaken further work on the draft guidelines on the basis of the working document produced by the group at the 86th meeting, as contained in document UNEP/OzL.Pro/ExCom/87/46. The group had met, virtually, three times, on 25 and 30 June and 2 July.

187. Reporting back to the Committee, the convener said that the group had reached agreement on the draft guidelines for the preparation of HFC phase-down plans. He thanked the members of the group for their contributions and appreciated the usual spirit of cooperation among members, who had reached an agreement despite the challenging circumstances. He hoped that these guidelines would enable the Article 5 countries that would consequently have their funding requests considered at the 87th meeting to initiate work on preparing their HFC phase-down plans.

188. The Executive Committee decided:

- (a) To note the draft guidelines for the preparation of HFC phase-down plans for Article 5 countries, contained in document UNEP/OzL.Pro/ExCom/87/46;

- (b) To include, in the funding for the preparation of an overarching strategy for stage I of the HFC phase-down plan, henceforth referred to as the Kigali HFC implementation plan (KIP), assistance for:
- (i) Extending existing or developing new legislation, policies and regulations as required for the import/export licensing and quota systems for controlled substances under Annex F (HFCs) of the Montreal Protocol;
 - (ii) The carrying out of a survey of HFC consumption and its sectoral distribution, surveys of enterprises in the manufacturing and servicing sectors, with analysis of the data to estimate the HFC baselines for compliance, and taking into account any HFC surveys conducted;
 - (iii) The development of the overarching strategy for the phase-down of HFCs and plan of action that would include the refrigeration servicing sector for stage I of the KIPs to address the freeze and 10 per cent reduction in HFC consumption;
 - (iv) For those countries that wished to do so, consideration of integrating HFC phase-down activities with HCFC phase-out management plan activities;
 - (v) For those countries that wished to do so, a description of relevant national initiatives, policies, regulations, and standards associated with maintaining and/or enhancing energy efficiency;
- (c) To provide funding for the elements described in sub-paragraphs (b)(i) to (v) above, as specified in the table below, based on the country's HCFC consumption baseline:

HCFC baseline (ODP tonnes)	Funding for preparation of stage I of the KIPs (US \$)
Below 1	100,000
1 and up to 6	130,000
Above 6 and up to 20	170,000
Above 20 and up to 100	190,000
Above 100 and up to 1,000	220,000
Above 1,000 and up to 2,000	230,000
Above 2,000	case by case

- (d) To determine and provide funding for, on a case-by-case basis, the preparation of stage I of any regional KIPs and those countries with an HCFC baseline consumption above 2,000 ODP tonnes;
- (e) That, for countries that chose to implement individual HFC investment projects or sector plans in advance of submission of stage I of the KIPs, the approval of each project should result in a phase-out of HFCs to count against the eligible consumption identified in the KIPs and should indicate how the investment project would relate to meeting the overarching strategy for the country, and when the KIPs would be submitted;
- (f) To provide funding for any Article 5 country with a manufacturing sector using HFCs according to the number of manufacturing enterprises to be converted in line with decision 56/16(d) and (f), as follows:
- (i) One enterprise to be converted in a manufacturing sector: US \$30,000;

- (ii) Two enterprises to be converted in a manufacturing sector: US \$60,000;
- (iii) Three to 14 enterprises to be converted in a manufacturing sector: US \$80,000;
- (iv) Fifteen or more enterprises to be converted in a manufacturing sector: US \$150,000; and
- (v) To limit the maximum funding provided for the preparation of the investment component for any country according to the table below:

HCFC baseline (ODP tonnes)	Funding limit (US \$)
Up to 100	100,000
101–300	200,000
301–500	250,000
501–1,000	300,000
1,001 and above	400,000

- (g) To request bilateral and implementing agencies, when submitting stage I of the KIPs on behalf of Article 5 countries, to include:
 - (i) Confirmation that the country had an established and enforceable national system of licensing and quotas for monitoring HFC imports/exports in place, consistent with decision 63/17;
 - (ii) The Government's commitment and actions to ensure that funded HFC phase-out would be sustained over time;
 - (iii) An overview of any early actions to control HFC consumption;
- (h) To agree that institutions and capacities in Article 5 countries developed through Multilateral Fund assistance for the phase-out of ODS should be used to the extent practicable for the phase-down of HFCs, as appropriate; and
- (i) To request the Secretariat to prepare, with the assistance of the bilateral and implementing agencies, a guide for preparation of stage I of KIPs that could be used by Article 5 countries.

(Decision 87/??)

(g) Energy efficiency

- (ii) Framework for consultations with relevant funds and financial institutions to explore the mobilization of additional financial resources for maintaining or enhancing energy efficiency when replacing HFCs with low global-warming potential refrigerants in the refrigeration and air-conditioning sector (decision 86/94)**

189. At the formal online 87th meeting, the Executive Committee had before it document UNEP/OzL.Pro/ExCom/87/51. Introducing the item, the Chair recalled that the Committee had agreed that the contact group on energy efficiency, which had been reconstituted to consider the matter at the 86th meeting, would continue its deliberations at the 87th meeting.

190. The convener of the contact group reported that the group had held two virtual meetings, on 17 and 23 June 2021, to pursue its discussions on the basis of the working document produced by the group at the

86th meeting as contained in document UNEP/OzL.Pro/ExCom/87/51. The deliberations had been constructive, and the group had agreed on a draft decision for consideration by the Executive Committee. The convener thanked all the members of the contact group for their spirit of compromise and their contribution to the work on energy efficiency that could enhance the reductions in greenhouse-gas emissions achieved during the replacement of HFCs with low-global-warming-potential alternatives.

191. The Executive Committee thus decided:

- (a) To note the framework for consultations with relevant funds and financial institutions to explore the mobilization of additional financial resources for maintaining or enhancing energy efficiency when replacing HFCs with low global-warming potential refrigerants in the refrigeration and air-conditioning sector (decision 86/94), contained in document UNEP/OzL.Pro/ExCom/87/51;
- (b) To request the Secretariat to prepare, for the first meeting of the Executive Committee in 2022, a report identifying options, within the Multilateral Fund and by working with other financial institutions that financed energy efficiency and whose procedures could be compatible with those of the Multilateral Fund, for mobilizing financial resources for maintaining and/or enhancing energy efficiency when replacing HFCs with low-global-warming-potential alternatives in the relevant foam manufacturing sub-sectors and the refrigeration, air-conditioning and heat pump sectors; and
- (c) To request the Secretariat as part of the report referred to in sub-paragraph (b) above to identify the relevant procedures and conditions relating to the provision of grants and other funding options by the other financial institutions for maintaining and/or enhancing energy efficiency.

(Decision 87/??)

(h) Key aspects related to HFC-23 by-product control technologies (decisions 86/95 and 86/96)

192. At the formal online 87th meeting, the Executive Committee had before it document UNEP/OzL.Pro/ExCom/87/53 on key aspects related to HFC-23 by-product control technologies in Argentina and document UNEP/OzL.Pro/ExCom/87/54 on key aspects related to HFC-23 by-product control technologies in Mexico. The Committee agreed to defer to the 88th meeting further discussion of the policy matters related to HFC-23 by-product control technologies contained in document UNEP/OzL.Pro/ExCom/87/52.

193. The Executive Committee had agreed that the contact group, which had first met at the 84th meeting and had been reconstituted at the 86th meeting, would meet again, virtually, on 16 June, 22 June and 1 July 2021. The group had considered, pursuant to decision 86/95, the project to control and phase out HFC-23 by-product emissions in Argentina and, pursuant to decision 86/96(d), the draft Agreement for the project for the destruction of emissions of HFC-23 generated in the production of HCFC-22 at Quimobásicos in Mexico.

Key aspects related to HFC-23 by-product control technologies: Argentina (decision 86/95)

194. Regarding the project to control HFC-23 by-product emissions in Argentina, the convener of the contact group said that, following a number of clarifications regarding the information contained in document UNEP/OzL.Pro/ExCom/87/53, and further bilateral consultations, a counter-proposal to the project, amounting to US \$2,004,864, had been presented by a number of non-Article 5 countries. Following additional bilateral discussions, the Government of Argentina had also made a counter-proposal

and, after discussion thereof, the contact group recommended approval of the project to control emissions of HFC-23 by-product in Argentina at a cost of US \$2,262,630, plus agency support costs.

195. The convener also explained that members had different explanations for the reductions in project costs relative to those contained in the meeting document; for some members the reductions were based on consideration of the duration of the incremental operating costs, while for others they were based on reduced maintenance costs.

196. The contact group also recommended that the Secretariat be requested to prepare a draft Agreement for consideration by the Executive Committee at its 88th meeting that used, as a starting point, the Agreement approved at the present meeting between the Government of Mexico and the Executive Committee for the destruction of emissions of HFC-23 by-product emissions at Quimobásicos (decision 87/??). Accordingly, the draft Agreement would include the same flexibility in the start date for the destruction of HFC-23 by-product in Argentina as that which had been granted for Mexico, noting that the Government of Argentina and UNIDO would make best efforts to ensure that emissions of HFC-23 by-product were controlled as soon as possible; and provisions to incentivize process optimization to reduce the HFC-23 by-product generation rate, adapted to the circumstances in Argentina. The penalty clause would be calculated as twice the cost-effectiveness of the project.

197. The Executive Committee decided:

- (a) To note the key aspects related to HFC-23 by-product control technologies: Argentina (decision 86/95) contained in document UNEP/OzL.Pro/ExCom/87/53;
- (b) To approve, in principle, US \$2,262,630, plus agency support costs of US \$158,384 for UNIDO, to enable the Government of Argentina to comply with the HFC-23 by-product emission control obligations under the Kigali Amendment to the Montreal Protocol, on the understanding that:
 - (i) The Government of Argentina would ensure that, by 1 January 2022 and thereafter, emissions of HFC-23 by-product from the HCFC-22 production line were destroyed in compliance with the Montreal Protocol and that emissions from the line were at or below 0.1 kg of HFC-23 emissions per 100 kg of HCFC-22 produced;
 - (ii) A maximum amount of US \$502,766, out of the total funding approved, was associated with incremental operating costs and would be divided in annual tranches to be provided to Argentina upon verification of the quantity of HFC-23 by-product destroyed;
 - (iii) The incremental operating costs in each annual tranche would be calculated by multiplying the quantity of HFC-23 destroyed by US \$1.40/kg;
 - (iv) The Government of Argentina would have flexibility to use the funding approved in principle indicated in sub-paragraph (b) above to compensate the production plant, Frio Industrias Argentinas, for the closure of its HCFC-22 production line prior to 1 January 2024, with the exception of any funds approved for independent verification for years subsequent to the year of closure, which should be returned to the Multilateral Fund, and on the understanding that any production of any other substance listed in Annex C or F to the Montreal Protocol at that facility would not be eligible for funding;

- (v) The project would be completed by 1 January 2031;
- (vi) The Government of Argentina committed to there being no additional funding from other sources for HFC-23 by-product emissions control at Frio Industrias Argentinas during or after completion of the project, including HFC-23 credits or offsets;
- (c) To note:
 - (i) That the funding approved in principle specified in sub-paragraph (b) above was the total funding that would be available to the Government of Argentina from the Multilateral Fund for the control of HFC 23 by-product emissions;
 - (ii) That the costs agreed recognized the special circumstances of the project in Argentina and did not set a precedent for the calculation of costs for any other projects for the control of HFC-23 by-product emissions;
- (d) To request the Secretariat, in cooperation with UNIDO, to prepare a draft Agreement between the Government of Argentina and the Executive Committee for the control of HFC-23 by-product emissions, in accordance with the present decision, for consideration at the 88th meeting, using the Agreement between the Government of Mexico and the Executive Committee for the destruction of emissions of HFC-23 generated in the production of HCFC-22 at Quimobásicos (decision 87/??) as a starting point and in light of the guidance provided by the Executive Committee at the 87th meeting;
- (e) To approve the first tranche of the project to control HFC-23 by-product emissions in Argentina in the amount of US \$1,527,851, plus agency support costs of US \$106,950 for UNIDO; and
- (f) To request the Government of Argentina, through UNIDO, to submit an annual implementation plan, in accordance with the anticipated draft Agreement referred to in sub-paragraph (d) above, for consideration at the 88th meeting.

(Decision 87/??)

Key aspects related to HFC-23 by-product control technologies: Mexico (decision 86/96(d))

198. With respect to the draft Agreement between the Government of Mexico and the Executive Committee, the convener of the contact group reported that the group had noted a number of issues, and concern had been expressed that not all the provisions of decision 86/96 had been appropriately reflected in the draft Agreement. There might be exceptional circumstances, outside the control of the enterprise, that could lead to an increase in the HFC-23 by-product generation rate; she said that such cases could be considered by the Executive Committee on a case-by-case basis. There had been general agreement that the Executive Committee should incentivize process optimization to reduce the HFC-23 by-product generation rate and, while the tranches in Appendix 1-A of the draft Agreement were equally distributed in the period 2023-2030, there might be a need to account for fluctuations in HCFC-22 production, with a reduction in production in one year, followed by an increase the next. It was also suggested that it might be more appropriate, when determining a penalty, to use the overall cost-effectiveness of the project rather than only the agreed cost of destruction. The contact group had requested the Secretariat to prepare a revised draft Agreement that responded to the concerns raised. Following consideration of, and a minor amendment to, the revised draft Amendment, the contact group recommended approval thereof by the Executive Committee.

199. The Executive Committee decided to approve the Agreement between the Government of Mexico and the Executive Agreement for the destruction of emissions of HFC-23 generated in the production of HCFC-22 at Quimobásicos, as contained in Annex XXVI to the present report.

(Decision 87/??)

AGENDA ITEM 14: REPORT ON THE PROGRESS MADE ON THE RECRUITMENT PROCESS FOR THE POSITION OF CHIEF OFFICER OF THE SECRETARIAT OF THE MULTILATERAL FUND (DECISION 86/2(H))

200. At the formal online 87th meeting, the Executive Committee had before it document UNEP/OzL.Pro/ExCom/87/55, which was considered during a closed session attended by members of the Executive Committee only, including those who had been co-opted. Introducing the item, the Chair informed the Committee that the Executive Director of UNEP, Ms. Inger Anderson, as at the 86th meeting, had requested her Chief of Staff, Mr. Rafael Peralta, to represent her and assist the Committee in its deliberations. The Chair welcomed Mr. Peralta to the 87th meeting.

201. The representative of the Secretariat recalled that document UNEP/OzL.Pro/ExCom/87/55 had been submitted as follow-up to sub-paragraph (h) of decision 86/2. It contained an update of the status of the job opening for the post of the fourth Chief Officer; reported on the nominations received for membership of the selection panel, i.e. two representatives of non-Article 5 Parties, in addition to the Chair, three representatives of Article 5 Parties and two representatives of UNEP; and provided an indicative timeline for the recruitment process.

202. In response to questions from members, Mr. Peralta explained that the role of Ms. Anderson would first be to serve as a member of the selection panel, following which she would transmit the panel's recommendation of candidate or candidates to the Secretary General; he would make the final decision. Mr. Peralta added that, prior to the transmission stage, the United Nations Senior Review Group, would verify that due process had been followed. He also said that UNEP was committed to ensuring that the recruitment moved expeditiously to ensure that there was no gap between the departure of the present Chief Officer and the arrival of the fourth Chief Officer. One member said that it was of utmost importance that there be no delay in recruitment and that the fourth Chief Officer be brought on board in a timely manner to ensure the smooth functioning of the work of the Secretariat and the Executive Committee. He proposed that there be a period of overlap between the outgoing and incoming Chief Officers to give the new Chief Officer the opportunity to benefit from the expertise and wealth of knowledge of the current Chief Officer. Mr. Peralta, however, explained that the United Nations human resources rules did not permit double incumbency nor had that been budgeted for. He was however confident that the current Chief Officer and his successor would work together to ensure a smooth transition. Mr. Peralta said that, to ensure that the recruitment process moved forward smoothly, it was important to set the dates for the interview stage as soon as possible.

203. The Executive Committee decided:

(a) To note:

- (i) The report on the progress made on the recruitment process for the position of chief officer of the Secretariat of the Multilateral Fund (decision 86/2(h)) contained in document UNEP/OzL.Pro/ExCom/87/55;
- (ii) The job opening for the post of fourth Chief Officer, with its closing date of 3 August 2021, as contained in Annex I to document UNEP/OzL.Pro/ExCom/87/55;

- (iii) The reply from the Executive Director to the Chief Officer of 18 May 2021 regarding the two UNEP representatives in the selection panel;
- (b) To approve the establishment of a selection panel composed of Ms. Annie Gabriel (Australia), Mr. Alain Wilmart (Belgium) (Co-Chair), Mr. John Thompson (United States of America), representing non-Article 5 Parties; Ms. Liana Ghahramanyan (Armenia), Mr. Li Yonghong (China) and Ms. Erika Spiess (Paraguay), representing Article 5 Parties; and Ms. Inger Anderson (Executive Director of UNEP) (Co-Chair) and Ms. Megumi Seki (Executive Secretary of the Ozone Secretariat), representing UNEP;
- (c) To request the members of the selection panel to work intersessionally on the matters within its purview, including the definition of the selection process, the dates for interviews, to be held virtually, and the assessment matrix for attributing scores to candidates; and
- (d) To request the selection panel to report, through the Chair of the Executive Committee, at the 88th meeting on progress made in the process to select the fourth Chief Officer.

(Decision 87/??)

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

204. The Executive Committee considered document UNEP/OzL.Pro/ExCom/87/56.

205. The Executive Committee decided to authorize the Secretariat to finalize the report of the Executive Committee to the Thirty-Third Meeting of the Parties to the Montreal Protocol in light of discussions held and decisions taken at the 87th meeting, and to submit it to the Ozone Secretariat following clearance by the Chair.

(Decision 87/??)

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

206. The facilitator of the Sub-group on the Production Sector introduced the report of the Sub-group as contained in document UNEP/OzL.Pro/ExCom/87/57. She said that the Sub-group had met twice, virtually, in the margins of the formal online 87th meeting and had focused on matters related to the phase-out of HCFC production in China. It had made two substantive recommendations for the consideration of the Executive Committee. After discussions in the Sub-group, consensus had been reached on the Agreement for the stage II of the HCFC production phase-out management plan for China, which had been approved in principle at the 86th meeting. With regard to the investigation on HCFC feedstock applications, following extensive discussions regarding the diverse views of the members, agreement had been reached on how to proceed with the issues that related to the change of transportation mode in integrated facilities and to the review of HCFC production data for China under Article 7 of the Montreal Protocol.

207. With respect to the draft guidelines and the standard format used for the verification of ODS production phase-out, at the suggestion of one member, discussion of that issue had been deferred to the next in-person meeting of the Executive Committee, which was expected to be the 88th meeting.

208. The Sub-group had also taken up consideration of the draft HCFC production sector guidelines (decision 86/101), which had last been comprehensively discussed at the 81st meeting. There had been some discussion of the two paragraphs that still contained text in square brackets, but the Sub-group had not had sufficient time to proceed further with the text. The Sub-group would resume its discussion of the draft HCFC production sector guidelines at a future meeting.

Draft Agreement for stage II of the HCFC production phase-out management plan (decision 86/99(f))

209. The Executive Committee decided to approve the Agreement for stage II of the HCFC production phase-out management plan for China, as orally amended by the Sub-group on the Production Sector and contained in Annex XXVII to the present report.

(Decision 87/??)

Final document on the investigation of HCFC feedstock application in China (decision 86/100)

210. The Executive Committee decided:

- (a) To take note of the final document on the investigation of HCFC feedstock applications in China for 2014 to 2018, submitted by the Government of China, through the World Bank;
- (b) To request the Government of China, through the World Bank to inform the Executive Committee if any of the HCFC production lines previously verified as being vertically integrated through a pipe to the downstream facility had changed its method of transporting some or all HCFCs to the downstream facility;
- (c) To request the World Bank to include, in the annual independent HCFC production verifications submitted under the HCFC production phase-down management plan, all newly established HCFC production lines for feedstock use if they had been verified as not being vertically integrated with their downstream production facility, noting that the Executive Committee could consider, on a case-by-case basis, whether any additional funding would be required for such verification;
- (d) That the Executive Committee would consider the definition of “vertically integrated facilities”, at its 88th meeting, in the context of its discussions on the draft guidelines and the standard format used for the verification of ODS production phase-out (decision 86/97);
- (e) To note that the Government of China would:
 - (i) Ensure that, in its data reporting under Article 7 of the Montreal Protocol, starting in 2021, all HCFCs produced in a given year would be reported as produced that year, irrespective of when the HCFC was used, in line with the Article 7 data reporting instructions and guidelines approved by the Parties to the Montreal Protocol in decision XXX/10;
 - (ii) Review the approach used to report production of HCFC-133a and CFC-113a under Article 7 to strengthen its data reporting and, through the World Bank, report to the Executive Committee the outcomes of that review at the Executive Committee meeting in June 2022; and

- (f) To request the Government of China, through the World Bank, to provide the outcome of the Government's review of HCFC production reported under Article 7 of the Montreal Protocol for 2014 and 2015 to the 88th meeting.

(Decision 87/??)

Draft guidelines and the standard format used for the verification of ODS production phase-out (decision 86/97)

211. The Executive Committee decided to defer consideration of the draft guidelines and the standard format used for the verification of ODS production phase-out to the 88th meeting.

(Decision 87/??)

Draft HCFC production sector guidelines (decision 86/101)

212. The Executive Committee decided to defer consideration of the draft HCFC production sector guidelines to a future meeting.

(Decision 87/??)

AGENDA ITEM 17: OTHER MATTERS

Dates and venues of meetings of the Executive Committee in 2022

213. During IAP-87, the Executive Committee considered document UNEP/OzL.Pro/ExCom/87/Inf.2.

214. Members in general agreed to hold an additional meeting in March 2022 to discuss outstanding policy items that could not be concluded through the IAP and virtual meetings for the 88th meeting. One member noted that if the 88th meeting does take place in-person, it may be useful for the Executive Committee to reconsider at that time whether holding the additional meeting in 2022 would be necessary.

215. Another member requested the Secretariat to plan for the 88th meeting well in advance, specially to plan and inform the Executive Committee in due time for any virtual contact group meetings that will be organized noting that there will be at least two weeks of contact group meetings in advance of the plenary sessions, in order to allow members to update their schedules accordingly, and to take a decision by now on whether the meeting will be virtual or in-person.

216. Members indicated their preferred options for the 90th and 91st meetings in light of their prior commitments.

217. Subsequently, the Executive Committee decided:

- (a) To hold the 89th meeting from 7 to 11 March 2022, in Montreal, Canada, at the International Civil Aviation Organization (ICAO), to discuss those outstanding policy items that could not be concluded through the intersessional approval process and virtual meetings for the 88th meeting, should the 88th meeting scheduled for 15 to 19 November 2021 not take place in person;
- (b) To hold its 90th meeting from 20 to 24 June 2022, in Montreal, Canada, at the ICAO;
- (c) To hold its 91st meeting from 28 November to 2 December 2022, in Montreal, Canada, at the ICAO; and

- (d) To note that in case the 89th meeting would not take place as decided in sub-paragraph (a) above, the proposed meetings in June and November 2022 would become the 89th and 90th meetings, respectively.

(Decision 87/??)

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

TABLE 1 : STATUS OF THE FUND FROM 1991-2021 (IN US DOLLARS)

As at 09/06/2021

INCOME	
Contributions received:	
- Cash payments including note encashments	3,858,643,102
- Promissory notes held	0
- Bilateral cooperation	177,770,950
- Interest earned *	243,051,616
- Additional income from loans and other sources	0
- Miscellaneous income	21,841,581
Total Income	4,301,307,249
ALLOCATIONS** AND PROVISIONS	
- UNDP	978,765,138
- UNEP	376,322,851
- UNIDO	967,547,627
- World Bank	1,279,007,197
Unspecified projects	-
Less Adjustments	-
Total allocations to implementing agencies	3,601,642,813
Secretariat and Executive Committee costs (1991-2022)	
- includes provision for staff contracts into 2022	141,680,306
Treasury fees (2003-2022)	10,056,982
Monitoring and Evaluation costs (1999-2020)	3,777,433
Technical Audit costs (1998-2010)	1,699,806
Information Strategy costs (2003-2004)	
- includes provision for Network maintenance costs for 2004	104,750
Bilateral cooperation	177,770,950
Provision for fixed-exchange-rate mechanism's fluctuations	
- losses/(gains) in value	30,146,683
Total allocations and provisions	3,966,879,723
Cash***	334,427,526
Promissory Notes:	0
BALANCE AVAILABLE FOR NEW ALLOCATIONS	334,427,526

* Includes interest amount US \$1,356,199 earned by FECO/MEP/(China).

** Amounts reflect net approvals for which resources are transferred to Implementing Agencies. The Secretariat budget reflects actual costs as per the final 2019 and preliminary 2020 accounts of the Fund and approved amounts for 2019 - 2022.

*** Cash amounting to US \$3,280,455 is with the World Bank due to less allocation than return at the 83rd, 84th, 85th and 86th meetings.

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

TABLE 2 : 1991 - 2021 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME (US\$)

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 09/06/2021

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	2021-2023	1991-2021
Pledged contributions	235,029,241	424,841,347	472,567,009	440,000,001	474,000,001	368,028,480	399,640,706	396,815,725	436,198,530	497,448,199	38,518,658	4,183,087,898
Cash payments/received	206,611,034	381,594,829	418,889,289	406,691,769	421,323,976	339,225,803	376,678,075	377,571,807	414,656,802	476,881,060	38,518,658	3,858,643,102
Bilateral assistance	4,366,255	11,870,240	20,913,758	22,591,302	44,246,306	19,671,519	14,151,636	11,412,900	14,175,312	14,371,721	0	177,770,950
Promissory notes	0	-	-	-	0	(0)	0	(0)	0	0	0	0
Total payments	210,977,289	393,465,069	439,803,048	429,283,071	465,570,282	358,897,322	390,829,712	388,984,707	428,832,114	491,252,781	38,518,658	4,036,414,052
Disputed contributions	0	8,098,267	0	0	0	32,471,642	405,792	3,477,910	1,301,470	2,551,799	0	48,306,880
Outstanding pledges	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	7,831,018	7,366,416	6,195,418	0	146,673,846
Payments %age to pledges	89.77%	92.61%	93.07%	97.56%	98.22%	97.52%	97.80%	98.03%	98.31%	98.75%	100.00%	96.49%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	43,537,814	10,544,631	6,615,053	8,836,637	21,661,539		243,051,616
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	3,377,184	3,547,653	5,804,410	1,782,834	854,973		21,841,581
TOTAL INCOME	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	405,812,320	404,921,996	401,404,170	439,451,585	513,769,292	38,518,658	4,301,307,249
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	2021-2023	1991-2021
Total pledges	235,029,241	424,841,347	472,567,009	440,000,001	474,000,001	368,028,480	399,640,706	396,815,725	436,198,530	497,448,199	38,518,658	4,183,087,898
Total payments	210,977,289	393,465,069	439,803,048	429,283,071	465,570,282	358,897,322	390,829,712	388,984,707	428,832,114	491,252,781	38,518,658	4,036,414,052
Payments %age to pledges	89.77%	92.61%	93.07%	97.56%	98.22%	97.52%	97.80%	98.03%	98.31%	98.75%	100.00%	96.49%
Total income	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	405,812,320	404,921,996	401,404,170	439,451,585	513,769,292	38,518,658	4,301,307,249
Total outstanding contributions	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	7,831,018	7,366,416	6,195,418		146,673,846
As % to total pledges	10.23%	7.39%	6.93%	2.44%	1.78%	2.48%	2.20%	1.97%	1.69%	1.25%		3.51%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,051,952	31,376,278	32,763,961	9,811,798	7,511,984	5,940,206	6,211,155	5,000,737	3,120,371	3,717,668		129,506,111
CEITs' outstandings %age to pledges	10.23%	7.39%	6.93%	2.23%	1.58%	1.61%	1.55%	1.26%	0.72%	0.75%		3.10%

PS: CEITs are Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Tajikistan, Ukraine and Uzbekistan, including Turkmenistan up to 2004 as per decision XVI/39.

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

TABLE 3 : 1991-2021 Summary Status of Contributions (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Andorra	164,488	164,488	0	0	0	0
Australia*	93,993,098	91,958,587	2,034,510	0	0	3,744,079
Austria	44,445,051	44,313,261	131,790	0	0	292,517
Azerbaijan	1,666,395	311,683	0	0	1,354,712	0
Belarus	3,834,988	685,682	0	0	3,149,306	0
Belgium	55,181,048	55,181,049	0	0	-0	2,307,848
Bulgaria	2,068,810	2,068,810	0	0	0	0
Canada*	155,851,704	145,049,521	10,802,182	0	0	-396,250
Croatia	1,677,155	1,677,155	0	0	-0	158,056
Cyprus	1,402,528	1,402,528	0	0	0	55,419
Czech Republic	14,785,475	14,508,542	276,933	0	0	726,085
Denmark	36,630,061	36,469,008	161,053	0	0	61,023
Estonia	1,004,990	1,004,990	0	0	0	55,232
Finland	28,626,776	28,227,618	399,158	0	0	-67,132
France	317,054,514	301,065,488	16,676,836	0	-687,810	-5,055,719
Germany	445,874,691	370,138,134	76,100,631	-0	-364,074	7,029,524
Greece	26,432,727	17,839,913	0	0	8,592,814	-1,340,447
Holy See	18,666	18,666	0	0	0	0
Hungary	9,624,231	9,577,737	46,494	0	0	-76,259
Iceland	1,659,567	1,659,567	0	0	0	51,218
Ireland	17,967,630	17,967,630	0	0	0	927,058
Israel	19,179,221	3,824,671	70,453	0	15,284,097	0
Italy	249,371,526	230,566,795	18,804,731	0	0	7,500,611
Japan	758,606,808	739,349,051	19,257,760	0	-3	0
Kazakhstan	2,306,516	2,306,516	0	0	-0	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	1,478,643	1,478,643	0	0	0	-2,483
Liechtenstein	427,333	427,333	0	0	0	0
Lithuania	2,057,463	1,564,494	0	0	492,968	0
Luxembourg	4,101,985	4,101,985	0	0	0	15,647
Malta	485,539	332,205	0	0	153,334	15,485
Monaco	351,239	351,239	0	0	0	-572
Netherlands	87,730,952	87,730,951	0	0	0	-0
New Zealand	13,066,581	13,066,580	0	0	0	511,866
Norway	37,571,342	37,571,341	0	0	0	2,020,927
Panama	16,915	16,915	0	0	0	0
Poland	28,245,045	28,132,045	113,000	0	0	1,129,253
Portugal	22,451,172	22,403,430	47,743	0	-1	198,973
Romania	4,104,470	4,104,460	0	0	10	0
Russian Federation	151,376,735	42,911,441	666,676	0	107,798,618	6,576,265
San Marino	67,731	67,731	0	0	0	3,429
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	5,387,403	5,370,881	16,523	0	-0	207,776
Slovenia	3,172,277	3,172,277	0	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	136,951,449	130,508,697	6,442,752	0	0	2,921,016
Sweden	56,131,797	54,557,469	1,574,328	0	-0	846,359
Switzerland	61,872,733	59,959,502	1,913,230	0	1	-1,847,293
Tajikistan	164,899	49,086	0	0	115,813	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	11,040,359	1,303,750	0	0	9,736,609	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	288,936,881	288,371,881	565,000	0	-0	1,577,170
United States of America	969,997,370	948,430,180	21,567,191	0	-1	0
Uzbekistan	1,006,574	246,606	0	0	759,968	0
SUB-TOTAL	4,183,087,898	3,858,643,102	177,770,950	-0	146,673,846	30,146,683
Disputed Contributions***	48,306,880	0	0	0	48,306,880	0
TOTAL	4,231,394,778	3,858,643,102	177,770,950	0	194,980,726	

NB: (*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39th meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40th meeting to read US \$1,208,219 and US \$6,449,438 instead of US \$1,300,088 and US \$6,414,880 respectively.

(**) In accordance with decisions VI/5 and XVI/39 of the meeting of the Parties to the Montreal Protocol, Turkmenistan has been reclassified as operating under Article 5 in 2004 and therefore its contribution of US \$5,764 for 2005 should be disregarded.

(***) Amount netted off from outstanding contributions and are shown here for records only.

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

TABLE 4 : Status of Contributions for 2021-2023 (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra					0
Australia					0
Austria					0
Azerbaijan					0
Belarus					0
Belgium					0
Bulgaria					0
Canada					0
Croatia					0
Cyprus					0
Czech Republic					0
Denmark					0
Estonia					0
Finland					0
France					0
Germany					0
Greece					0
Holy See					0
Hungary					0
Iceland					0
Ireland	950,000	950,000			0
Israel					0
Italy					0
Japan					0
Kazakhstan					0
Latvia	141,813	141,813			0
Liechtenstein					0
Lithuania					0
Luxembourg	180,668	180,668			0
Malta					0
Monaco					0
Netherlands					0
New Zealand					0
Norway					0
Poland	2,119,500	2,119,500			0
Portugal	1,085,648	1,085,648			0
Romania					0
Russian Federation					0
San Marino					0
Slovak Republic					0
Slovenia					0
Spain					0
Sweden					0
Switzerland					0
Tajikistan					0
Ukraine					0
United Kingdom					0
United States of America	34,041,030	34,041,030			0
Uzbekistan					0
TOTAL	38,518,658	38,518,658	0	0	0
CEITs	2,119,500	2,261,313	0	0	-141,813

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

TABLE 5 : Status of Contributions for **2021** (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra					0
Australia					0
Austria					0
Azerbaijan					0
Belarus					0
Belgium					0
Bulgaria					0
Canada					0
Croatia					0
Cyprus					0
Czech Republic					0
Denmark					0
Estonia					0
Finland					0
France					0
Germany					0
Greece					0
Holy See					0
Hungary					0
Iceland					0
Ireland	950,000	950,000			0
Israel					0
Italy					0
Japan					0
Kazakhstan					0
Latvia	141,813	141,813			0
Liechtenstein					0
Lithuania					0
Luxembourg	180,668	180,668			0
Malta					0
Monaco					0
Netherlands					0
New Zealand					0
Norway					0
Poland	2,119,500	2,119,500			0
Portugal	1,085,648	1,085,648			0
Romania					0
Russian Federation					0
San Marino					0
Slovak Republic					0
Slovenia					0
Spain					0
Sweden					0
Switzerland					0
Tajikistan					0
Ukraine					0
United Kingdom					0
United States of America	34,041,030	34,041,030			0
Uzbekistan					0
TOTAL	38,518,658	38,518,658	0	0	0
CEITs	2,119,500	2,261,313	0	0	-141,813

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

TABLE 6 : Status of Contributions for **2018-2020 (US\$)**

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	45,501	45,501	0	0	0
Australia	17,669,001	17,245,398	423,603	0	0
Austria	5,443,500	5,443,500	0	0	0
Azerbaijan	453,501	0	0	0	453,501
Belarus	423,501	359,334	0	0	64,167
Belgium	6,690,999	6,690,999	0	0	0
Bulgaria	339,999	339,999	0	0	0
Canada	22,083,999	21,029,237	1,054,762	0	-0
Croatia	748,500	748,500	0	0	0
Cyprus	324,999	324,999	0	0	0
Czech Republic	2,601,000	2,601,000	0	0	0
Denmark	4,415,499	4,415,499	0	0	0
Estonia	287,499	287,499	0	0	0
Finland	3,447,501	3,447,501	0	0	0
France	36,736,500	36,596,945	827,365	0	-687,810
Germany	48,303,999	38,948,149	9,660,801	0	-304,951
Greece	3,561,000	1,187,000	0	0	2,374,000
Holy See	7,500	7,500	0	0	0
Hungary	1,217,001	1,217,001	0	0	0
Iceland	174,000	174,000	0	0	0
Ireland	2,532,999	2,532,999	0	0	0
Israel	3,251,001	0	0	0	3,251,001
Italy	28,336,500	27,399,738	936,762	0	0
Japan	71,890,118	71,614,421	275,697	0	0
Kazakhstan	1,443,999	1,443,999	0	0	0
Latvia	378,000	378,000	0	0	0
Liechtenstein	53,001	53,001	0	0	0
Lithuania	544,500	544,500	0	0	0
Luxembourg	483,999	483,999	0	0	0
Malta	120,999	0	0	0	120,999
Monaco	75,501	75,501	0	0	0
Netherlands	11,204,499	11,204,499	0	0	0
New Zealand	2,025,999	2,025,999	0	0	0
Norway	6,419,001	6,419,001	0	0	0
Poland	6,358,500	6,358,500	0	0	0
Portugal	2,963,499	2,963,499	0	0	0
Romania	1,391,001	1,390,991	0	0	10
Russian Federation	23,346,999	23,346,999	0	0	0
San Marino	22,500	22,500	0	0	0
Slovak Republic	1,209,501	1,209,501	0	0	0
Slovenia	635,001	635,001	0	0	0
Spain	18,470,499	17,277,768	1,192,731	0	0
Sweden	7,227,999	7,227,999	0	0	0
Switzerland	8,619,000	8,619,000	0	0	0
Tajikistan	30,000	0	0	0	30,000
Ukraine	778,500	0	0	0	778,500
United Kingdom	33,742,500	33,742,500	0	0	0
United States of America	108,743,585	108,743,585	0	0	0
Uzbekistan	174,000	58,000	0	0	116,000
TOTAL	497,448,199	476,881,060	14,371,721	0	6,195,418
Disputed Contributions(*)	2,551,799	0	0	0	2,551,799
TOTAL	499,999,998	476,881,060	14,371,721	0	8,747,217

(*) Additional amount on disputed contribution relating to Japan (US \$1,295,383) and the United States of America (US \$1,256,416)

CEITs	39,843,501	36,125,833	0	0	3,717,668
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 7 : Status of Contributions for 2020 (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,466,064	423,603		0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	141,167			0
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	6,936,571	424,762		0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,218,945	714,365		-687,810
Germany	16,101,333	12,913,708	3,187,625		-0
Greece	1,187,000	1,187,000			0
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	9,445,500			0
Japan	24,395,167	24,395,167			0
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333				40,333
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,667			0
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667	211,667			0
Spain	6,156,833	6,156,833			0
Sweden	2,409,333	2,409,333			0
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	36,653,423	36,653,423			0
Uzbekistan	58,000				58,000
TOTAL	166,653,422	160,988,210	4,750,355	0	914,857
Disputed Contributions(*)	13,244				
TOTAL	166,666,666	160,988,210	4,750,355	0	914,857

(*) Additional amount on disputed contributions relating to the United States of America.

CEITs	13,281,167	12,044,000	0	0	1,237,167
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 8 : Status of Contributions for 2019 (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,889,667			0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	141,167			0
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	7,031,333	330,000		0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,245,500			0
Germany	16,101,333	15,005,907	1,400,376		-304,950
Greece	1,187,000				1,187,000
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	8,880,500	565,000		0
Japan	24,395,167	24,209,870	185,297		0
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333				40,333
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,657			10
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667	211,667			0
Spain	6,156,833	6,156,833			0
Sweden	2,409,333	2,409,333			0
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	35,614,904	35,614,904			0
Uzbekistan	58,000	58,000			0
TOTAL	165,614,903	160,707,503	2,480,673	0	2,426,727
Disputed Contributions(*)	1,051,763				
TOTAL	166,666,666	160,707,503	2,480,673	0	2,426,727
CEITs	13,281,167	12,102,000	0	0	1,179,167

(*) Additional amount on disputed contributions relating to the United States of America.

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

TABLE 9 : Status of Contributions for 2018 (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,889,667			0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	77,000			64,167
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	7,061,333	300,000		-0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,132,500	113,000		0
Germany	16,101,333	11,028,533	5,072,800		-0
Greece	1,187,000				1,187,000
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	9,073,738	371,762		0
Japan	23,099,784	23,009,384	90,400		0
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333				40,333
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,667			0
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667	211,667			0
Spain	6,156,833	4,964,102	1,192,731		0
Sweden	2,409,333	2,409,333			0
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	36,475,258	36,475,258			0
Uzbekistan	58,000				58,000
TOTAL	165,179,874	155,185,347	7,140,693	0	2,853,834
Disputed Contributions(*)	1,486,792				1,486,792
TOTAL	166,666,666	155,185,347	7,140,693	0	4,340,626

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

CEITs	13,281,167	11,979,833	0	0	1,301,334
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 10 : Status of Contributions for 2015-2017 (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	48,504	48,504	0	0	0
Australia	12,574,443	12,574,443	0	0	0
Austria	4,838,190	4,838,190	0	0	0
Azerbaijan	242,517	0	0	0	242,517
Belarus	339,522	226,348	0	0	113,174
Belgium	6,050,769	6,050,769	0	0	0
Bulgaria	284,955	284,955	0	0	0
Canada	18,091,677	18,091,677	0	0	0
Croatia	763,926	763,926	0	0	-0
Cyprus	284,955	284,955	0	0	0
Czech Republic	2,340,276	2,340,276	0	0	0
Denmark	4,092,453	4,092,453	0	0	0
Estonia	242,517	242,517	0	0	0
Finland	3,146,643	3,146,643	0	0	0
France	33,909,768	32,747,995	1,161,773	0	-0
Germany	43,295,127	34,537,016	8,758,111	-0	-0
Greece	3,868,128	0	0	0	3,868,128
Holy See	6,063	6,063	0	0	0
Hungary	1,612,731	1,612,731	0	0	0
Iceland	163,698	163,698	0	0	0
Ireland	2,534,289	2,534,289	0	0	0
Israel	2,400,906	0	0	0	2,400,906
Italy	26,967,753	24,877,303	2,090,450	0	0
Japan	65,679,333	65,359,260	320,073	0	0
Kazakhstan	733,611	733,611	0	0	0
Latvia	284,955	284,955	0	0	0
Liechtenstein	54,567	54,567	0	0	0
Lithuania	442,590	442,590	0	0	0
Luxembourg	491,094	491,094	0	0	0
Malta	97,005	64,670	0	0	32,335
Monaco	72,756	72,756	0	0	0
Netherlands	10,028,028	10,028,028	0	0	0
New Zealand	1,533,912	1,533,912	0	0	0
Norway	5,159,523	5,159,523	0	0	0
Poland	5,583,927	5,583,927	0	0	-0
Portugal	2,873,811	2,873,811	0	0	0
Romania	1,370,214	1,370,214	0	0	0
Russian Federation	14,781,336	14,114,660	666,676	0	-0
San Marino	18,189	18,189	0	0	0
Slovak Republic	1,036,755	1,036,755	0	0	-0
Slovenia	606,288	606,288	0	0	0
Spain	18,024,984	16,846,755	1,178,229	0	0
Sweden	5,820,378	5,820,378	0	0	0
Switzerland	6,347,850	6,347,850	0	0	0
Tajikistan	18,189	0	0	0	18,189
Ukraine	600,227	0	0	0	600,227
United Kingdom	31,399,728	31,399,728	0	0	0
United States of America	94,948,529	94,948,529	0	0	-0
Uzbekistan	90,942	0	0	0	90,942
TOTAL	436,198,530	414,656,802	14,175,312	-0	7,366,416
Disputed Contributions(*)	1,301,470	0	0	0	1,301,470
TOTAL	437,500,000	414,656,802	14,175,312	-0	8,667,886

(*) Additional amount on disputed contributions relating to the United States of America.

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

TABLE 11 : Status of Contributions for 2017 (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481			0
Austria	1,612,730	1,612,730			0
Azerbaijan	80,839				80,839
Belarus	113,174	113,174			0
Belgium	2,016,923	2,016,923			0
Bulgaria	94,985	94,985			0
Canada	6,030,559	6,030,559			0
Croatia	254,642	254,642			0
Cyprus	94,985	94,985			0
Czech Republic	780,092	780,092			0
Denmark	1,364,151	1,364,151			0
Estonia	80,839	80,839			0
Finland	1,048,881	1,048,881			0
France	11,303,256	10,471,705	831,551		0
Germany	14,431,709	12,410,403	2,021,306	-0	-0
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577	537,577			0
Iceland	54,566	54,566			0
Ireland	844,763	844,763			0
Israel	800,302				800,302
Italy	8,989,251	8,706,751	282,500		0
Japan	21,893,111	21,893,111			0
Kazakhstan	244,537	244,537			0
Latvia	94,985	94,985			0
Liechtenstein	18,189	18,189			0
Lithuania	147,530	147,530			0
Luxembourg	163,698	163,698			0
Malta	32,335				32,335
Monaco	24,252	24,252			0
Netherlands	3,342,676	3,342,676			0
New Zealand	511,304	511,304			0
Norway	1,719,841	1,719,841			0
Poland	1,861,309	1,861,309			0
Portugal	957,937	957,937			0
Romania	456,738	456,738			0
Russian Federation	4,927,112	4,927,112			0
San Marino	6,063	6,063			0
Slovak Republic	345,585	345,585			0
Slovenia	202,096	202,096			0
Spain	6,008,328	6,008,328			0
Sweden	1,940,126	1,940,126			0
Switzerland	2,115,950	2,115,950			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576			0
United States of America	32,083,333	32,083,333			0
Uzbekistan	30,314				30,314
TOTAL	145,833,333	140,258,672	3,135,357	-0	2,439,305

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

TABLE 12 : Status of Contributions for **2016** (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481			0
Austria	1,612,730	1,612,730			0
Azerbaijan	80,839				80,839
Belarus	113,174	113,174			0
Belgium	2,016,923	2,016,923			0
Bulgaria	94,985	94,985			0
Canada	6,030,559	6,030,559			0
Croatia	254,642	254,642			0
Cyprus	94,985	94,985			0
Czech Republic	780,092	780,092			0
Denmark	1,364,151	1,364,151			0
Estonia	80,839	80,839			0
Finland	1,048,881	1,048,881			0
France	11,303,256	11,018,799	284,457		-0
Germany	14,431,709	12,431,833	1,999,876	-0	-0
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577	537,577			0
Iceland	54,566	54,566			0
Ireland	844,763	844,763			0
Israel	800,302				800,302
Italy	8,989,251	7,463,801	1,525,450		0
Japan	21,893,111	21,753,838	139,273		0
Kazakhstan	244,537	244,537			0
Latvia	94,985	94,985			0
Liechtenstein	18,189	18,189			0
Lithuania	147,530	147,530			0
Luxembourg	163,698	163,698			0
Malta	32,335	32,335			0
Monaco	24,252	24,252			0
Netherlands	3,342,676	3,342,676			0
New Zealand	511,304	511,304			0
Norway	1,719,841	1,719,841			0
Poland	1,861,309	1,861,309			0
Portugal	957,937	957,937			0
Romania	456,738	456,738			0
Russian Federation	4,927,112	4,260,436	666,676		0
San Marino	6,063	6,063			0
Slovak Republic	345,585	345,585			0
Slovenia	202,096	202,096			0
Spain	6,008,328	4,830,099	1,178,229		0
Sweden	1,940,126	1,940,126			0
Switzerland	2,115,950	2,115,950			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576			0
United States of America	31,233,927	31,233,927			0
Uzbekistan	30,314				30,314
TOTAL	144,983,927	136,782,997	5,793,961	-0	2,406,970
Disputed Contributions(*)	849,406				849,406
TOTAL	145,833,333	136,782,997	5,793,961	-0	3,256,376

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

TABLE 13 : Status of Contributions for 2015 (US\$)

As at 09/06/2021

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168	16,168			0
Australia	4,191,481	4,191,481			0
Austria	1,612,730	1,612,730			0
Azerbaijan	80,839				80,839
Belarus	113,174				113,174
Belgium	2,016,923	2,016,923			0
Bulgaria	94,985	94,985			0
Canada	6,030,559	6,030,559			0
Croatia	254,642	254,642			-0
Cyprus	94,985	94,985			0
Czech Republic	780,092	780,092			0
Denmark	1,364,151	1,364,151			0
Estonia	80,839	80,839			0
Finland	1,048,881	1,048,881			0
France	11,303,256	11,257,491	45,765		0
Germany	14,431,709	9,694,780	4,736,929		-0
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577	537,577			0
Iceland	54,566	54,566			0
Ireland	844,763	844,763			0
Israel	800,302				800,302
Italy	8,989,251	8,706,751	282,500		0
Japan	21,893,111	21,712,311	180,800		0
Kazakhstan	244,537	244,537			0
Latvia	94,985	94,985			0
Liechtenstein	18,189	18,189			0
Lithuania	147,530	147,530			0
Luxembourg	163,698	163,698			0
Malta	32,335	32,335			0
Monaco	24,252	24,252			0
Netherlands	3,342,676	3,342,676			0
New Zealand	511,304	511,304			0
Norway	1,719,841	1,719,841			0
Poland	1,861,309	1,861,309			-0
Portugal	957,937	957,937			0
Romania	456,738	456,738			0
Russian Federation	4,927,112	4,927,112			-0
San Marino	6,063	6,063			0
Slovak Republic	345,585	345,585			-0
Slovenia	202,096	202,096			0
Spain	6,008,328	6,008,328			0
Sweden	1,940,126	1,940,126			0
Switzerland	2,115,950	2,115,950			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576			0
United States of America	31,631,269	31,631,269			-0
Uzbekistan	30,314				30,314
TOTAL	145,381,269	137,615,134	5,245,994		2,520,142
Disputed Contributions(*)	452,064				452,064
TOTAL	145,833,333	137,615,134	5,245,994		2,972,206

(*) Additional amount on disputed contributions relating to the United States of America.

Annex II

APPROVED 2020, 2021, 2022 AND 2023 BUDGETS OF THE FUND SECRETARIAT

		Approved 2020 ⁽¹⁾	Approved 2021	Approved 2022	Approved 2023
10	PERSONNEL COMPONENT*				
1100	Project Personnel (Title & Grade)				
	01 Chief Officer (D2)	300,466	309,480	255,011	262,662
	02 Deputy Chief Officer (D1)	296,523	305,418	251,665	259,215
	03 Programme Management Officer (P4)	209,636	215,925	177,922	183,260
	04 Senior Programme Management Officer (P5)	267,956	275,995	227,420	234,243
	05 Senior Programme Management Officer (P5)	267,956	275,995	227,420	234,243
	06 Senior Programme Management Officer (P5)	267,956	275,995	227,420	234,243
	07 Senior Programme Management Officer (P5)	267,956	275,995	227,420	234,243
	08 Information Management Officer (P4)	241,521	248,766	204,984	211,133
	09 Senior Administrative and Fund Management Officer (P5)	240,413	247,626	204,044	210,165
	10 Senior Monitoring and Evaluation Officer (P5)	267,956	275,995	227,420	234,243
	11 Programme Management Officer (P3)	164,681	169,621	139,768	143,961
	12 Chief, Information Systems Unit (P4)	177,793	183,127	150,896	155,423
	13 Programme Management Officer (P4)	208,803	215,067	177,215	182,532
	14 Associate Administrative Officer (P2)	143,286	147,585	121,610	125,258
	15 Programme Management Officer (P3)	143,286	147,585	121,610	125,258
	98 Prior Year				
1199	Sub-Total	3,466,189	3,570,175	2,941,824	3,030,079
1200	Consultants				
	01 Projects and technical reviews etc.	75,000	75,000	75,000	75,000
1299	Sub-Total	75,000	75,000	75,000	75,000
1300	Administrative Support Personnel				
	01 Meeting Services Assistant (G7)	112,947	116,335	95,860	98,736
	02 Programme Management Assistant (G6)	106,872	110,078	90,704	93,426
	03 Programme Management Assistant (G5)	89,604	92,292	76,048	78,330
	04 Programme Management Assistant (G5)	83,664	86,174	71,007	73,138
	05 Information Technology Assistant (G6)	106,873	110,079	90,705	93,426
	06 Programme Management Assistant (G5)	88,425	91,077	75,048	77,299
	07 Administrative Assistant (G6)	94,857	97,703	80,507	82,922
	08 Staff Assistant (G5)	72,272	74,440	61,339	63,179
	09 Programme Management Assistant (G5)	83,664	86,174	71,007	73,138
	10 Programme Management Assistant (G5)	83,664	86,174	71,007	73,138
	11 Programme Management Assistant (G6)	81,227	83,664	68,939	71,007
	Sub-Total	1,004,068	1,034,190	852,173	877,738
1330	Conference Servicing Cost				
1333	Meeting Services: ExCom	355,800	355,800	355,800	355,800
1334	Meeting Services: ExCom	355,800	355,800	355,800	355,800
1336	Meeting Services: ExCom				
1335	Temporary Assistance	18,800	18,800	18,800	18,800
	Sub-Total	730,400	730,400	730,400	730,400
1399	TOTAL ADMINISTRATIVE SUPPORT	1,734,468	1,764,590	1,582,573	1,608,138

⁽¹⁾ Does not include allocation for 2019 unrecorded expenditures amounting to US \$24,209; US \$7,168 for computer expendables (BL 4102); US \$10,548 for non - expendable (BL 4201-4202); and US \$6,493 for network Maintenance (BL 5105).

*Personnel costs under BLs 1100 and 1300 will be reduced by US \$247,880 based on 2019 actual cost differentials between staff cost in Montreal and staff cost in Nairobi covered by the Government of Canada.

			Approved 2020	Approved 2021	Approved 2022	Approved 2023
1600	Travel on official business					
	01	Mission costs	208,000	208,000	208,000	208,000
	02	Network meetings (4)	50,000	50,000	50,000	50,000
1699		Sub-Total	258,000	258,000	258,000	258,000
1999		COMPONENT TOTAL	5,533,658	5,667,765	4,857,397	4,971,217
20	CONTRACTUAL COMPONENT					
2100	Sub-contracts					
	01	Treasury services (decision 59/51(b))	500,000	500,000	500,000	500,000
	02	Corporate consultancies				
2200	Subcontracts					
	01	Various studies				
	02	Corporate contracts	-	-	-	-
2999		COMPONENT TOTAL	500,000	500,000	500,000	500,000
30	MEETING PARTICIPATION COMPONENT					
3300	Travel and DSA for Article 5 delegates to Executive Committee meetings					
	01	Travel of Chairperson and Vice-Chairperson	15,000	15,000	15,000	15,000
	02	Executive Committee (2)	150,000	150,000	150,000	150,000
3999		COMPONENT TOTAL	165,000	165,000	165,000	165,000
40	EQUIPMENT COMPONENT					
4100	Expendables					
	01	Office stationery	7,000	7,000	7,000	7,000
	02	Computer expendable (software, accessories, hubs, switches, memory)	10,530	10,530	10,530	10,530
4199		Sub-Total	17,530	17,530	17,530	17,530
4200	Non-Expendable Equipment					
	01	Computers, printers	13,000	13,000	13,000	13,000
	02	Other expendable equipment (shelves, furnitures)	5,850	5,850	5,850	5,850
4299		Sub-Total	18,850	18,850	18,850	18,850
4300	Premises					
	01	Rental of office premises**	870,282	870,282	870,282	870,282
		Sub-Total	870,282	870,282	870,282	870,282
4999		COMPONENT TOTAL	906,662	906,662	906,662	906,662
50	MISCELLANEOUS COMPONENT					
5100	Operation and Maintenance of Equipment					
	01	Computers and printers, etc. (toners, colour printer)	8,100	8,100	8,100	8,100
	02	Maintenance of office premises	8,000	8,000	8,000	8,000
	03	Rental of photocopiers (office)	10,000	10,000	10,000	10,000
	04	Telecommunication equipment rental	8,000	8,000	8,000	8,000
	05	Network maintenance	10,000	10,000	10,000	10,000
5199		Sub-Total	44,100	44,100	44,100	44,100
5200	Reproduction Costs					
	01	ExCom and reports to MOP	10,710	10,710	10,710	10,710
5299		Sub-Total	10,710	10,710	10,710	10,710
5300	Sundries					
	01	Communications	45,000	45,000	45,000	45,000
	02	Freight charges	6,000	6,000	6,000	6,000
	03	Bank charges	2,500	2,500	2,500	2,500
	05	Staff training	20,137	20,137	20,137	20,137
	06	GST				
	04	PST				
5399		Sub-Total	73,637	73,637	73,637	73,637
5400	Hospitality and Entertainment					
	01	Hospitality costs	16,800	16,800	16,800	16,800
5499		Sub-Total	16,800	16,800	16,800	16,800
5999		COMPONENT TOTAL	145,247	145,247	145,247	145,247
GRAND TOTAL			7,250,567	7,384,674	6,574,306	6,688,126
		Programme support costs (9%)	402,323	414,393	341,460	351,704
COST TO MULTILATERAL FUND			7,652,890	7,799,067	6,915,766	7,039,830
		Previous budget schedule	7,652,890	7,799,067	7,949,630	-
		Increase/decrease	(0)	0	(1,033,864)	7,039,830

**Rental of premises will be offset by US \$619,267 (based on 2019) being covered by cost differential with Government of Canada leaving US \$54,526 to be charged to the MLF.

Annex III

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

Country	Code	Project title	Agency
Algeria	ALG/PHA/66/INV/76	HCFC phase-out management plan (stage I, first tranche) (conversion from HCFC-22 in the manufacture of room air conditioners at Condor)	UNIDO
Algeria	ALG/PHA/66/INV/77	HCFC phase-out management plan (stage I, first tranche) (activities in the refrigeration servicing sector including phase-out of HCFC-141b used for flushing, and project monitoring)	UNIDO
Bahamas (the)	BHA/PHA/80/TAS/26	HCFC phase-out management plan (stage I, third tranche)	UNEP
Cameroon	CMR/PHA/82/INV/45	HCFC phase-out management plan (stage II, first tranche)	UNIDO
China	CPR/PHA/64/INV/513	HCFC phase-out management plan (room air-conditioner manufacturing sector plan) (stage I, first tranche)	UNIDO
China	CPR/PHA/68/INV/524	HCFC phase-out management plan (stage I, second tranche) (room air conditioner manufacturing sector plan)	UNIDO
China	CPR/PHA/71/INV/536	HCFC phase-out management plan (stage I, third tranche) (room air conditioner manufacturing sector plan)	UNIDO
China	CPR/PHA/73/INV/548	HCFC phase-out management plan (stage I, fourth tranche) (room air conditioner manufacturing sector plan)	UNIDO
China	CPR/PHA/75/INV/564	HCFC phase-out management plan (stage I, fifth tranche) (room air conditioner manufacturing sector plan)	UNIDO
Dominica	DMI/PHA/62/TAS/19	HCFC phase-out management plan (stage I, first tranche)	UNEP
Dominica	DMI/SEV/80/TAS/01+	Enabling activities for HFC phase down	UNEP
Gabon	GAB/PHA/79/INV/34	HCFC phase-out management plan (stage I, third tranche)	UNIDO
Haiti	HAI/PHA/76/TAS/21	HCFC phase-out management plan (stage I, second tranche)	UNEP
Indonesia	IDS/PHA/76/INV/211	HCFC phase-out management plan (stage II, first tranche) (fire fighting sector)	UNDP
Iraq	IRQ/PHA/58/INV/09	National phase-out plan (first tranche)	UNIDO
Kuwait	KUW/PHA/66/INV/21	HCFC phase-out management plan (stage I, first tranche) (extruded polystyrene foam sector phase-out: Gulf Insulating Materials Manufacturing and Trading; Isofoam Insulating Materials Plants; and Al Masaha Company)	UNIDO
Kuwait	KUW/PHA/74/INV/24	HCFC phase-out management plan (stage I, second tranche) (polyurethane foam sector phase-out: Kuwait polyurethane Industry Co.; Kirby Building Systems, technical assistance to spray foam users and other small users)	UNIDO
Kuwait	KUW/PHA/74/INV/25	HCFC phase-out management plan (stage I, second tranche) (extruded polystyrene foam sector phase-out: Gulf Insulating Materials Manufacturing and Trading;	UNIDO

Country	Code	Project title	Agency
		Isofoam Insulating Materials Plants; and Al Masaha Company)	
Libya	LIB/PHA/75/INV/37	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	UNIDO
Libya	LIB/PHA/82/INV/42	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	UNIDO
Maldives	MDV/SEV/80/TAS/02+	Enabling activities for HFC phase-down	Italy
Mauritania	MAU/PHA/80/INV/25	HCFC phase-out management plan (stage I, first tranche)	UNDP
Mexico	MEX/PHA/73/INV/171	HCFC phase-out management plan (stage II, first tranche) (reclamation of HCFC refrigerants)	Italy
Mexico	MEX/PHA/74/INV/172	HCFC phase-out management plan (stage II, first tranche) (HC demonstration and training)	Germany
Mexico	MEX/PHA/77/INV/179	HCFC phase-out management plan (stage II, second tranche) (HC demonstration and training)	Germany
Seychelles	SEY/PHA/70/INV/19	HCFC phase-out management plan (second tranche)	Germany
Seychelles	SEY/PHA/75/INV/23	HCFC phase-out management plan (stage I, third tranche)	Germany
South Africa	SOA/PHA/71/INV/06	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing, custom training and monitoring)	UNIDO
Venezuela (Bolivarian Republic of)	VEN/PHA/76/TAS/132	HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	UNIDO
Venezuela (Bolivarian Republic of)	VEN/PHA/76/INV/134	HCFC phase-out management plan (stage II, first tranche) (technical assistance in refrigeration and air-conditioning manufacturing sector)	UNIDO

Annex IV

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

Country	Code	Project title	Agency
Barbados	BAR/PHA/80/TAS/26	HCFC phase-out management plan (stage I, second tranche)	UNEP
China	CPR/PHA/77/INV/574	HCFC phase-out management plan (stage II, first tranche) (room air-conditioner manufacturing sector plan)	Italy
Congo (the)	PRC/PHA/76/TAS/30	HCFC phase-out management plan (stage I, third tranche)	UNEP
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)	UNIDO
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)	UNIDO
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)	UNIDO
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)	UNIDO
Democratic Republic of the Congo (the)	DRC/PHA/80/TAS/44	HCFC phase-out management plan (stage I, third tranche)	UNEP
Kuwait	KUW/PHA/66/TAS/19	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector and monitoring and verification)	UNEP
Kuwait	KUW/PHA/74/TAS/23	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector and monitoring and verification)	UNEP
Libya	LIB/PHA/75/INV/36	HCFC phase-out management plan (stage I, first tranche) (foam sector)	UNIDO
Mauritania	MAU/PHA/80/TAS/24	HCFC phase-out management plan (stage I, first tranche)	UNEP
Saint Kitts and Nevis	STK/PHA/74/TAS/20	HCFC phase-out management plan (stage I, second tranche)	UNEP
South Sudan	SSD/PHA/77/TAS/04	HCFC phase-out management plan (stage I, first tranche)	UNEP

Annex V

PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS ARE REQUESTED

Country	Code	Project title	Agency	Recommendation
Algeria	ALG/SEV/73/INS/81	Extension of the institutional strengthening project (phase VI: 12/2014-11/2016)	UNEP	To request a status report to the 88 th meeting on progress in implementation
Antigua and Barbuda	ANT/SEV/73/INS/16	Extension of institutional strengthening project (phase V: 1/2015-12/2016)	UNEP	To request a status report to the 88 th meeting on progress in implementation
Antigua and Barbuda	ANT/PHA/73/PRP/17	Preparation of a HCFC phase-out management plan (stage II)	UNEP	To request a status report to the 88 th meeting on progress in stage II preparation
Bahamas (the)	BHA/PHA/82/TAS/27	Verification report on the implementation of the HCFC phase out management plan	UNEP	To request a status report to the 88 th meeting on the status of preparation of the verification report
Bangladesh	BGD/PHA/81/TAS/49	HCFC phase-out management plan (stage II, first tranche) (project management unit)	UNDP	To request a status report to the 88 th meeting on progress in implementation
Bangladesh	BGD/PHA/81/INV/51	HCFC phase-out management plan (stage II, first tranche) (air-conditioning sector)	UNDP	To request a status report to the 88 th meeting on progress in implementation
Central African Republic (the)	CAF/SEV/68/INS/23	Extension of the institutional strengthening project (phase VI: 1/2013-12/2014)	UNEP	To request a status report to the 88 th meeting on progress in implementation
Democratic Republic of the Congo (the)	DRC/PHA/79/PRP/42	Preparation of a HCFC phase-out management plan (stage II)	UNDP	To request a status report to the 88 th meeting on progress in stage II preparation
Dominica	DMI/SEV/80/INS/23	Additional emergency assistance for institutional strengthening	UNEP	To request a status report to the 88 th meeting on the signing of the small-scale funding agreement (SSFA) and progress in implementation
Dominica	DMI/SEV/81/INS/24	Extension of the institutional strengthening project (phase VII: 6/2018-5/2020)	UNEP	To request a status report to the 88 th meeting on the signing of the SSFA and progress in implementation
Haiti	HAI/SEV/75/INS/20	Extension of the institutional strengthening project (phase IV: 11/2015-10/2017)	UNEP	To request a status report to the 88 th meeting on status of submission of progress and financial reports
Haiti	HAI/PHA/76/INV/22	HCFC phase-out management plan (stage I, second tranche)	UNDP	To request a status report to the 88 th meeting on progress in delivery of equipment
Kuwait	KUW/PHA/83/INV/36	HCFC phase-out management plan (stage I, third tranche) (polyurethane foam sector phase-out)	UNIDO	To request a status report to the 88 th meeting on progress in implementation and disbursement of funds

Country	Code	Project title	Agency	Recommendation
Kuwait	KUW/PHA/83/TAS/37	HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing sector)	UNIDO	To request a status report to the 88 th meeting on progress in implementation and disbursement of funds
Libya	LIB/FOA/82/PRP/41	Preparation for HCFC phase-out investment activities (stage II) (foam sector)	UNIDO	To request a status report to the 88 th meeting on progress in stage II preparation
Libya	LIB/PHA/82/PRP/43	Preparation of a HCFC phase-out management plan (stage II)	UNIDO	To request a status report to the 88 th meeting on progress in stage II preparation
Mozambique	MOZ/PHA/83/INV/31	HCFC phase-out management plan (stage I, third and fourth tranches)	UNIDO	To request a status report to the 88 th meeting on progress in implementation and disbursement of funds
South Sudan	SSD/SEV/76/INS/03	Institutional strengthening project (phase I: 5/2016-4/2018)	UNEP	To request a status report to the 88 th meeting on progress in implementation and disbursement of funds
Syrian Arab Republic	SYR/SEV/73/INS/104	Extension of institutional strengthening (phase V: 1/2015-12/2016)	UNIDO	To request a status report to the 88 th meeting on progress in implementation
United Republic of Tanzania (the)	URT/SEV/83/INS/39	Extension of the institutional strengthening project (phase VII: 7/2019-6/2021)	UNEP	To request a status report to the 88 th meeting on the signing of the SSFA and progress in implementation
Yemen	YEM/SEV/73/INS/43	Extension of the institutional strengthening project (phase VIII: 1/2015-12/2016)	UNEP	To request a status report to the 88 th meeting on progress in implementation
Global	GLO/REF/80/DEM/344	Global chiller replacement project (Argentina)	UNIDO	To request a status report to the 88 th meeting on progress in implementation

Annex VI

REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF THE PHILIPPINES AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of the Philippines (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 97.7 ODP tonnes by 1 January 2021 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3 and 4.3.3.(remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly.
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to

foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan;

- (d) The Country commits to examining the possibility of using pre-blended systems with low-global warming potential blowing agents instead of blending them in-house, for those foam enterprises covered under the Plan, should this be technically viable, economically feasible and acceptable to the enterprises;
- (e) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations, standards and incentives, adequate provisions that encourage introduction of such alternatives; and to consider the potential for adoption of cost-effective alternatives that minimize the climate impact in the implementation of the HPMP, as appropriate, and inform the Executive Committee on the progress accordingly in tranche implementation reports; and
- (f) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”). The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in rows 2.2 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied

all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kilogram of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement, will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of Completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

17. At the 83rd meeting the World Bank stopped being the Lead IA in respect of the Country’s activities under this Agreement. Therefore, the responsibilities of the World Bank under this Agreement only extend up to the 82nd meeting. This updated Agreement supersedes the Agreement reached between the Government of the Philippines and the Executive Committee at the 83rd meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	109.32
HCFC-123	C	I	1.70
HCFC-141b	C	I	51.85
Total			162.87

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2017	2018	2019	2020	2021	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	187.56	187.56	187.56	135.46	135.46	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	129.52	129.52	129.52	105.87	82.56	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	811,750	0	0	0	0	811,750
2.2	Support costs for Lead IA (US \$)	56,823	0	0	0	0	56,823
3.1	Total agreed funding (US \$)	811,750	0	0	0	0	811,750
3.2	Total support costs (US \$)	56,823	0	0	0	0	56,823
3.3	Total agreed costs (US \$)	868,573	0	0	0	0	868,573
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						23.44
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						2.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						83.88
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)						0.00
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)						0.00
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)						1.70
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)						1.15
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						43.00
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						7.70

* Revised at the 87th meeting following cancellation of the air-conditioning manufacturing sector plan and the associated project management and agency support costs (US \$2,073,988 including agency support costs).

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second Executive Committee meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of

activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;

- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
 - (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
 - (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. In order to assist the Country in monitoring and evaluating the progress of Agreement implementation, the Project Management Unit within the Department of Environment and Natural Resources – Environmental Management Bureau (DENR-EMB) will be responsible for:

- (a) Coordination with stakeholders in the public and private sectors;

- (b) Preparation or review of terms of reference for consultancy services to support implementation, and supervision of HCFC phase-out activities;
- (c) Preparation of monitoring reports in cooperation with the Lead IA and as required by the Executive Committee, including the Tranche Implementation Reports and Plans according to the schedule set forth in Appendix 2-A;
- (d) Facilitating project supervision or evaluation as may be required by the Lead IA and the Monitoring and Evaluation Officer of the Executive Committee;
- (e) Undertaking procurement of goods and services necessary for implementation of the commercial refrigeration and foam sector plans, technical assistance, and monitoring and supervising works of the consultants;
- (f) Financial management to ensure effective use of the Multilateral Fund resources;
- (g) Updating and maintenance of a project management information system;
- (h) Facilitating performance and financial audits as required;
- (i) Organizing meetings and workshops for DENR-EMB's staff and staff of other relevant agencies to ensure full cooperation of all stakeholders in the HCFC phase-out efforts;
- (j) Informing the industry of the availability of funds from the Multilateral Fund;
- (k) Organizing training and technical assistance for the beneficiaries;
- (l) Supervision and evaluation of projects with assistance from technical experts to be engaged as part of the technical assistance component; and
- (m) Monitoring progress of HCFC phase-out on the demand side by direct oversight of subproject implementation.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;

- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required;
- (m) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (n) Timely releasing funds to the country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$220 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex VII

REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF ECUADOR AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Ecuador (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 15.27 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, 4.5.3 and 4.6.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly; and

- (d) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This revised Agreement supersedes the updated Agreement reached between the Government of Ecuador and the Executive Committee at the 81st meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	21.02
HCFC-141b	C	I	0.86
HCFC-123	C	I	0.18
HCFC-142b	C	I	1.20
HCFC-124	C	I	0.22
Sub-total			23.49
HCFC-141b contained in imported pre-blended polyols	C	I	20.67
Total			44.16

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	23.49	23.49	21.14	21.14	21.14	21.14	21.14	15.27	n/a
1.2	Maximum allowable total consumption of Annex C Group I substances (ODP tonnes)	n/a	n/a	23.49	23.49	21.14	21.14	21.14	21.14	21.14	15.27	n/a
2.1	Lead IA UNIDO agreed funding (US \$)	1,531,940	0	86,500	0	0	86,500	0	*518,219	0	**65,000	2,288,159
2.2	Support costs for Lead IA (US \$)	114,896	0	6,488	0	0	6,487	0	*36,707	0	**4,825	169,403
2.3	Cooperating IA UNEP agreed funding (US \$)	30,000	0	20,000	0	0	30,000	0	25,000	0	**0	105,000
2.4	Support costs for Cooperating IA (US \$)	3,900	0	2,600	0	0	3,900	0	3,250	0	**0	13,650
3.1	Total agreed funding (US \$)	1,561,940	0	106,500	0	0	116,500	0	543,219	0	65,000	2,393,159
3.2	Total support cost (US \$)	118,796	0	9,088	0	0	10,387	0	39,957	0	4,825	183,053
3.3	Total agreed costs (US \$)	1,680,736	0	115,588	0	0	126,887	0	583,176	0	69,825	2,576,212
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)											7.36
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)											n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											13.66
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)											0.86
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)											n/a
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)											0.00
4.3.1	Total phase-out of HCFC-123 agreed to be achieved under this agreement (ODP tonnes)											0.00
4.3.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)											n/a
4.3.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)											0.18
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)											0.00
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)											n/a
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)											1.20
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this agreement (ODP tonnes)											0.00
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)											n/a
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)											0.22
4.6.1	Total phase-out of HCFC-141b in pre-blended polyols agreed to be achieved under this agreement (ODP tonnes)											19.81
4.6.2	Phase-out of HCFC-141b in pre-blended polyols to be achieved in previously approved projects (ODP tonnes)											n/a
4.6.3	Remaining eligible consumption for HCFC-141b in pre-blended polyols (ODP tonnes)											0.86

*Funding for UNIDO includes the fourth tranche request at US \$86,500, plus agency support cost of US \$6,487, and the foam project at US \$431,719, plus agency support cost of US \$30,220.

**At the 87th meeting, UNEP stopped being a Cooperating Agency and was requested to transfer to UNIDO the approved funding of US \$10,000 for the fifth tranche, plus US \$700 of agency support costs.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:
 - (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
 - (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
 - (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
 - (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU), within the Ministry of Industries and Productivity, will co-ordinate the implementation of the project and will be responsible for the national co-ordination of the whole HPMP programme with the assistance of the implementing agencies.
2. The NOU will be responsible for the monitoring of the HPMP, making the follow-up of the promulgation, and the enforcement of the policies and legislation.
3. The NOU will support the Lead IA and the Cooperating IA in the preparation of the annual implementation plans and progress reports for the Executive Committee.
4. The implementation of the HPMP will need to be aligned and closely co-ordinated with the different general instructions, regulatory, fiscal, capacity creation and awareness activities that the Government of Ecuador executes, to ensure the consistency of the governmental priorities.
5. The HPMP will be managed by a team dedicated to this job that consists of a co-ordinator that will be designated by the NOU and have the support of the representatives and experts of the implementation agencies and the necessary support infrastructure. In addition, the local distribution of service equipment that will be purchased through the Lead IA acquisition procedure will also be implemented by the co-ordinator.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;

- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

APPENDIX 8-A: SECTOR SPECIFIC ARRANGEMENTS

1. In accordance with decisions 61/47 and 63/15, a project to phase out the use of the remaining 5.71 ODP tonnes of HCFC-141b contained in imported pre-blended polyols will be submitted during stage I of the HPMP, when proven cost-effective and commercially available low global warming potential technology will make it possible to replace the HCFC-141b used by small enterprises.

Annex VIII

UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF ECUADOR AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Ecuador (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0 ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 , 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to

foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan;

- (d) The Country commits to examining the possibility of using pre-blended systems with low-global warming potential blowing agents instead of blending them in-house, for those foam enterprises covered under the Plan, should this be technically viable, economically feasible and acceptable to the enterprises;
- (e) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations standards and incentives adequate provisions that encourage introduction of such alternatives; and to consider the potential for adoption of cost-effective alternatives that minimize the climate impact in the implementation of the HPMP, as appropriate, and inform the Executive Committee on the progress accordingly in tranche implementation reports; and
- (f) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees; in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees

that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

17. At the 87th meeting UNEP stopped being the Cooperating Agency in respect of the Country’s activities under this Agreement. Therefore, the responsibilities of UNEP under this Agreement only extend up to the 87th meeting. This updated Agreement supersedes the Agreement reached between the Government of Ecuador and the Executive Committee at the 86th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	21.02

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-123	C	I	0.18
HCFC-124	C	I	0.22
HCFC-141b	C	I	0.86
HCFC-142b	C	I	1.20
HCFC-225			0.00
Sub-total			23.49
HCFC-141b contained in imported pre-blended polyols	C	I	20.67
Total			44.16

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	15.27	15.27	15.27	7.63	7.63	7.63	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	15.27	15.27	15.27	7.63	7.63	7.63	0	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	292,750	0	407,250	0	255,500	0	214,500	1,170,000
2.2	Support costs for Lead IA (US \$)	20,493	0	28,507	0	17,885	0	15,015	81,900
3.1	Total agreed funding (US \$)	292,750	0	407,250	0	255,500	0	214,500	1,170,000
3.2	Total support costs (US \$)	20,493	0	28,507	0	17,885	0	15,015	81,900
3.3	Total agreed costs (US \$)	313,243	0	435,757	0	273,385	0	229,515	1,251,900
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								13.66
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								7.36
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								0.86
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								1.20
4.3.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)								0.18
4.4.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)								0
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								0
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0.22
4.5.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)								0
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)								0
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)								20.67
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)								0

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target

will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Minister of Production, Foreign Trade, Investment and Fishery (MPCEIP) is the Focal Point of the Montreal Protocol in Ecuador. The activities corresponding to the implementation of the Protocol are aligned within the strategies proposals of the Ministry's National Direction of Environment and Technological Reconversion. This Division coordinates with the authorities the National Plan for the Elimination of Ozone Depleting Substances (ODS).

2. The project is implemented through the National Ozone Unit established within the MPCEIP, as part of the National Direction of Environment and Technological Reconversion, and its functions are:

- (a) To coordinate, as focal point, all the activities related to the implementation of the country programme for the ODS phase-out in Ecuador,
- (b) Monitoring and control the Montreal Protocol controlled substances consumption,
- (c) To disseminate data and pertinent information to all the interested parties, and to inform on the requirements of the Montreal Protocol,
- (d) To promote awareness on the ODS and alternatives issues,
- (e) To receive, evaluate and submit reports, to be considered by the Executive Committee of the Multilateral Fund, for additional projects that have not been included in the country programme,
- (f) To report to the Ozone Secretariat, Multilateral Fund, and to the Implementation Agency about the consumption and phase-out of the Montreal Protocol controlled substances in Ecuador,
- (g) Coordination and implementation of projects for the substances controlled by the Montreal Protocol in the country.

3. The MPCEIP will be responsible for the monitoring of the phase-out implementation plan, of making the follow up of the promulgation, and the enforcement of the policies and legislation, the procedures the procedures to carry out these activities are:

- (a) Implementation of all the activities of the components within the HPMP, including a detailed activity design, audit of the involved parties, identification and selection of the beneficiaries, contracting of goods and services, continuous technical assistance to the project beneficiaries, etc.
- (b) Regular monitoring of the trends and attitudes in the local private sector related to the HCFC use and its possible substitutes.
- (c) Design, organization and implementation (annual) of the project monitoring activities, including the design of the data gathering and analysis instruments.
- (d) Analysis and report of results of the monitoring, including the design of the implementation of the corrective measures and/or activities of technical assistance, and organization of the

corresponding meetings for review and management of the monitoring.

- (e) Design and implementation of the corrective measures.
- (f) Regular implementation of activities of technical assistance to the project beneficiaries.
- (g) Preparation of annual progress reports, biannual reports on the HPMP implementation, and biannual implementation plan for the Multilateral Fund Executive Committee, according to the defined format. It will also include the preparation of any other report necessary for the adequate operation of the HPMP project.

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

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

5. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application

of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex IX

REVISED DATES OF COMPLETION FOR HFC-RELATED ACTIVITIES

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
CANADA					
Bangladesh BGD/SEV/81/TAS/53	Enabling activities for HFC phase-down	Jun-18	100	To complete remaining activities under UNDP component.	Jun-22
Cuba CUB/SEV/81/TAS/58	Enabling activities for HFC phase-down	Jun-18	100	Workshop to present the draft national strategy for phasing down HFCs to stakeholders and distribution of promotional material.	Dec-21
El Salvador ELS/SEV/81/TAS/38	Enabling activities for HFC phase-down	Jun-18	100	Finalization of the draft national strategy for phasing down HFCs including assessment of the servicing sector needs; and distribution of promotional material.	Dec-21
Panama PAN/SEV/81/TAS/47	Enabling activities for HFC phase-down	Jun-18	100	Conducting a multisectoral coordination group meeting to present the draft national strategy for phasing down HFCs to stakeholders; and distribution of promotional material.	Sep-21
FRANCE					
Zimbabwe ZIM/REF/82/INV/56	Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare)	Dec-18	0	Finalization of co-financing required for the beneficiary enterprise to implement the project. With gradual recovery from the COVID-19 pandemic thus improvements in the economy, activities are expected to progress faster.	Jun-23
GERMANY					
Liberia LIR/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	74.8	Approval of the amendment to regulations.	Dec-21
Papua New Guinea PNG/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	86.7	Support for ratification of Kigali Amendment; and finalization of the amendment to ODS regulations including tax on HFCs.	Dec-21
Seychelles SEY/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	87.5	Monitoring compliance with the guidelines for the newly amended regulations through onsite monitoring of commercial and industrial refrigeration equipment.	Dec-21

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
ITALY					
Maldives MDV/SEV/80/TAS/02+	Enabling activities for HFC phase-down	Nov-17	29	Finalization of country assessment report; conducting roundtable workshops and remaining training activities; finalization of the amendment to the draft regulation; and conducting a survey for cold chain database.	Jun-22
UNDP					
Bangladesh BGD/SEV/81/TAS/52	Enabling activities for HFC phase-down	Jun-18	23.2	Finalization of consultations after preparation of a national roadmap; and finalization of enabling activities report.	Jun-22
Chile CHI/SEV/80/TAS/03+	Enabling activities for HFC phase-down	Nov-17	100	Providing support to the customs authorities on the identification and control of HFCs; awareness raising activities; and additional workshops with stakeholders on control measures related to HFCs.	Jun-22
Cuba CUB/SEV/81/TAS/57	Enabling activities for HFC phase-down	Jun-18	39	Finalization of the draft national strategy for phasing down HFCs including the assessment of the servicing sector needs and distribution of promotional material.	Dec-21
El Salvador ELS/SEV/81/TAS/37	Enabling activities for HFC phase-down	Jun-18	57.2	Finalization of the draft national strategy for phasing down HFCs including the assessment of the servicing sector needs and distribution of promotional material.	Dec-21
Fiji FIJ/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	97.8	Organizing final consultation meeting; finalization of market assessment report after consolidation of all information; and finalization of enabling activities report.	Aug-21
Iran (Islamic Republic of) IRA/SEV/82/TAS/232	Enabling activities for HFC phase-down	Dec-18	35.6	Conducting market assessment of the refrigeration servicing sector and use of alternatives; preparation and finalization of national roadmap; final consultation meeting; and finalization of enabling activities report.	Mar-22
Panama PAN/SEV/81/TAS/46	Enabling activities for HFC phase-down	Jun-18	76.3	Conducting a multisectoral coordination group meeting to present the draft national strategy for phasing down HFCs to stakeholders; and distribution of promotional material.	Sep-21
Paraguay PAR/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	100.6	Finalization of the assessment of the RAC sector needs; and information outreach and knowledge sharing with stakeholders in the RAC, foam and firefighting sectors on the alternatives to HFCs.	Dec-21

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
Uruguay URU/SEV/80/TAS/02+	Enabling activities for HFC phase-down	Nov-17	78	Strengthening the control to HFC imports, discussions with stakeholder on the road map for the implementation of the Kigali Amendment and distribution of promotional material.	Dec-21
Zimbabwe ZIM/REF/82/INV/55	Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare)	Dec-18	0	Additional time needed by the beneficiary enterprise for finalization of co-financing required for implementing the project.	Jun-23
UNEP					
Afghanistan AFG/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	80	Roundtable workshops on low-GWP alternatives for large end users and training for servicing sector; finalization of the amendment to draft regulations; and awareness activities.	Jun-22
Angola ANG/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	86.7	Revise the existing National Ozone Depleting Substances legislation; and workshop for technicians on safe handling of HFCs and alternatives.	Dec-21
Bahamas (the) BHA/SEV/82/TAS/01+	Enabling activities for HFC phase-down	Dec-18	0	Study relating to handling low-GWP flammable refrigerants for service sector; and national strategy for supporting the RAC servicing sector in handling HFC phase-down and staged approach to introducing low-GWP and energy efficiency.	Jun-22
Bahrain BAH/SEV/81/TAS/34	Enabling activities for HFC phase-down	Jun-18	50	Finalization of country assessment report.	Dec-21
Bangladesh BGD/SEV/81/TAS/54	Enabling activities for HFC phase-down	Jun-18	12.1	Roundtable workshops on low-GWP alternatives for large end users and training for customs officers; finalization of the amendment to draft regulations and awareness activities; and development of knowledge products and information materials on Kigali Amendment and safe-handling of low-GWP technologies.	Jun-22
Benin BEN/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	66.5	Assisting customs office for developing country-specific Harmonized System (HS) codes for HFCs; training needs assessment for servicing sector; and revising the existing National Ozone-Depleting Substances Legislation (ODS-based equipment) and drafting the ODS alternative regulation.	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
Bolivia (Plurinational State of) BOL/SEV/82/TAS/01+	Enabling activities for HFC phase-down	Dec-18	11.9	Training on design, installation and maintenance of energy efficient RAC systems; support to customs authorities in developing HS codes for HFCs; drafting of ministerial resolutions/procedure manual for HFC quotas and HFC import permits; training of technicians on the safe use of flammable refrigerants and training of end users; and market analysis for HFC refrigerants from domestic production; and development of a proposal of the national labor competency standards.	Jun-22
Botswana BOT/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	53.3	Training to Customs Department on the monitoring, recording and reporting of imports/exports of HFCs; RAC technology projection and analysis; conducting sensitization workshops to refrigeration technicians on safe use of alternatives of HFCs.	Jun-22
Brunei Darussalam BRU/SEV/82/TAS/01+	Enabling activities for HFC phase-down	Dec-18	17.2	Consultations on Kigali Amendment ratification; roundtable workshops and trainings; finalization of regulation amendment drafts; support for developing HS codes based on revision in 2022; finalization of stickers for labeling of cylinders; development of knowledge products and information materials; and organizing public awareness programme with the energy office.	Jun-22
Cabo Verde CBI/SEV/82/TAS/01+	Enabling activities for HFC phase-down	Dec-18	73.5	Development of country-specific HS codes for HFCs; sensitization meetings for technicians on safe handling of HFCs and their alternatives; and assisting Customs Office in developing national custom codes for different HFCs and including them into the Customs Tariff for proper monitoring and recording of imports/exports or re-export of individual HFCs.	Dec-22
Chad CHD/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	66.7	Supporting Customs Department to develop country-specific national HS codes for HFCs for proper monitoring and recording of imports/exports of individual HFCs/alternatives; and hiring national and international consultants for conducting training needs assessment.	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
Chile CHI/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	52.1	Specialized training in HFC controls for customs officers.	Dec-21
Comoros (the) COI/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	79.6	Conduct sensitization meetings for technicians on safe handling of HFCs/alternatives; hiring international consultant for training need assessment; and assisting the Customs Department for developing country-specific HS codes for HFCs to facilitate proper monitoring and recording of imports/exports of individual HFCs/alternatives.	Jun-22
Cook Islands (the) CKI/SEV/82/TAS/01+	Enabling activities for HFC phase-down	Dec-18	47.4	Finalization of country assessment report; roundtable workshops and trainings for servicing sector; finalization of the amendment to the ozone layer protection regulation for strengthening HFC controls; and development of knowledge products and information materials on Kigali Amendment and safe-handling of low-GWP technologies.	Jun-22
Cote d'Ivoire IVC/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	66.5	Assisting Customs Office in developing national custom codes for different HFCs and including them into the Customs Tariff for proper monitoring and recording of imports/exports or re-export of individual HFCs; and hiring international consultant for training needs assessment.	Jun-22
Democratic Republic of the Congo (the) DRC/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	66.5	Drafting the law on ratification of the Kigali Amendment with the justification; analysis of the ozone and climate policy/legislation and drafting the amendments to the existing legislation to allow for ratification of the Kigali Amendment; conducting training needs assessment for the servicing sector and preparing an assessment report; and finalizing the package on the ratification of Kigali Amendment and advancing the ratification process.	Jun-22
Djibouti DJI/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	40	Finalizing the package on the ratification of the Kigali Amendment and advancing the ratification process; undertaking the training needs assessment for the servicing sector and preparing an assessment report; and conducting sensitization meetings for technicians on safe handling of HFCs and their alternatives.	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
Dominica DMI/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	0	Analysis of ozone and climate legislation to support the Kigali Amendment; policy paper on Kigali Amendment ratification; stakeholder consultations meetings and awareness raising on HFC phase-down and energy efficiency; training needs assessment for the RAC service sector; mapping of HFCs available on the local market; technical assistance on HFC data collection; RAC technology trends projection; symposium on Kigali Amendment ratification impacts, seminar on the transition to low-GWP alternatives; training for technicians on management of alternatives; consultations on the revision/review of the ODS licensing and quota systems; developing country-specific HS codes for HFCs; and knowledge, attitude, and practices study of the RAC service sector, national strategy on staged approach to introducing low-GWP and energy efficient alternatives and support the RAC service sector in adopting new alternatives.	Jun-22
Dominican Republic (the) DOM/SEV/80/TAS/02+	Enabling activities for HFC phase-down	Nov-17	84.3	Targeted public awareness and outreach campaigns on alternative low-/zero-GWP refrigerants, energy efficiency, servicing procedures and certification of technicians.	Dec-21
Ecuador ECU/SEV/80/TAS/02+	Enabling activities for HFC phase-down	Nov-17	56.5	Training of end-users in RAC applications and manufacturing industries on alternatives.	Dec-21
Egypt EGY/SEV/81/TAS/03+	Enabling activities for HFC phase-down	Jun-18	34.5	Analysis of existing ozone and climate policy/legislation; and drafting the amendments in the existing legislation to allow for ratification of the Kigali Amendment; preparing the package on the ratification of the Kigali Amendment; and undertaking the training needs assessment for the servicing sector and preparing an assessment report.	Jun-22
Equatorial Guinea EQG/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	56.7	Drafting law on ratification of the Kigali Amendment with the justification; finalizing the package on the ratification of Kigali Amendment and advancing the ratification process; and assisting the customs	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				department to develop country-specific national HS codes for HFCs.	
Eritrea ERI/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	36.8	Reviewing the current licensing system to regulate controlled substances and products; undertaking the training needs assessment for the servicing sector and preparing an assessment report; and sensitizing the public on the phase-down of HFCs and the Kigali Amendment.	Dec-21
Eswatini SWA/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	84.2	Assessment of market profile of alternative technologies and development of strategies to promote availability and quick adoption of low-GWP technologies; and conducting workshops for technicians on safe handling of HFCs and their alternatives.	Jun-22
Ethiopia ETH/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	36.8	Organization of informative workshops and a survey to identify barriers for introduction of low-GWP alternatives on the servicing sector; assisting national customs authorities in establishing national custom codes for HFCs; and sensitizing consumers on low-GWP technologies.	Jun-22
Gabon GAB/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	66.5	Sensitization meetings for technicians on safe handling of HFCs and their alternatives; assisting customs office in developing national custom codes for different HFCs and including them into the Customs Tariff; and conducting sensitization meetings for technicians on safe handling of HFCs and their alternatives.	Dec-21
Georgia GEO/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	38.4	Supporting the adoption of legal acts related to the control of HFCs and the establishment of the HFC licensing system by Parliament, and ratification of the Kigali Amendment; and international training of trainers on the safe use of alternative technologies.	Jun-22
Guinea-Bissau GBS/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	73.5	Development of country-specific national HS codes for HFCs; sensitization meetings for technicians on safe handling of HFCs and their alternatives; assisting customs office in developing national custom codes for different HFCs and including them into the	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				Customs Tariff; and undertaking a training need assessment for the servicing sector.	
Guyana GUY/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	0	Analysis of ozone and climate legislation to support the Kigali Amendment; developing policy paper on Kigali Amendment ratification; stakeholder consultations meetings and awareness raising on HFC phase-down and energy efficiency; undertaking training needs assessment for the RAC service sector; mapping of HFCs available on the local market; technical assistance on HFC data collection; RAC technology projection; symposium on impacts of the Kigali Amendment ratification and seminar on the transition to low-GWP alternatives; developing country-specific HS codes for HFCs; and knowledge, attitude, and practices study of the RAC service sector, national strategies on a staged approach to introducing low-GWP energy efficient alternatives and support to RAC service sector on transition from HFCs to alternatives.	Jun-22
Honduras HON/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	36.8	Assessing the existing technical barriers and gaps for the adoption of alternatives to HFCs in the RAC, polyurethane foam, fire-fighting sectors, mobile air-conditioning and refrigerated transport; analysis of the available zero-/low-GWP energy efficient alternatives and its environmental/socio-economic impacts; and preparing technical reports on the specific requirements of each alternative technology for the main sectors to facilitate consultations and adoption by stakeholders.	Dec-21
Iran (Islamic Republic of) IRA/SEV/82/TAS/233	Enabling activities for HFC phase-down	Dec-18	30.2	Finalization of the amendment to the draft regulation; development of knowledge products and information materials on Kigali Amendment and safe-handling of low-GWP technologies for large end users, servicing sector, importers and consumers; and roundtable discussions on low-GWP alternatives.	Mar-22
Iraq IRQ/SEV/81/TAS/26	Enabling activities for HFC phase-down	Jun-18	30.1	Drafting required ratification instrument; updating the HFC licensing system along with related capacity	Dec-21

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				building; and the finalization of country assessment report.	
Kenya KEN/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	53.3	Conducting sensitization meetings/workshops for technicians on safe handling of HFCs and their alternatives; sensitizing the public on the phase-down of HFCs and the Kigali Amendment; and organization of informative workshops and surveys to identify barriers for introduction of low-GWP alternatives for the servicing sector.	Jun-22
Kiribati KIR/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	50.3	Finalization of country assessment report; roundtable workshops and trainings for servicing sector; finalization of draft regulation amendment; and development of knowledge products and information materials on Kigali Amendment and safe handling of low-GWP technologies.	Jun-22
Kuwait KUW/SEV/81/TAS/33	Enabling activities for HFC phase-down	Jun-18	3.9	Drafting required ratification instrument; updating the HFC licensing system along with related capacity building activities; capacity building and training for ODS alternatives, building national registry and information system to register all controlled substances and products and building database for different uses and users; and final country assessment report.	Dec-21
Lao People's Democratic Republic (the) LAO/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	29.3	Finalization of country assessment report; roundtable workshops and trainings; finalization of draft regulation amendment; development of knowledge products and information materials; consultations with energy office, importers and traders; and public event with energy office.	Jun-22
Madagascar MAG/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	66.7	Finalization of the package on the ratification of the Kigali Amendment and advancing the ratification process; drafting the law on ratification of the Kigali Amendment with the justification document, as required by the national legislative process; and undertaking the training needs assessment for the servicing sector and preparing an assessment report	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				that will be used for further planning of the activities related to use of HFCs and low-GWP alternatives.	
Malawi MLW/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	56.7	Conducting consultations with enforcement agencies on monitoring and controlling imports and exports of HFCs and HFC-based products; developing electronic registry for HFCs and their alternatives; and assisting customs office in developing national custom codes for different HFCs and including them into the Customs Tariff.	Jun-22
Maldives MDV/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	95	Finalization of country assessment report; roundtable workshops and training; drafting regulation amendment; and survey for cold chain database.	Jun-22
Mali MLI/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	66.5	Development of country-specific HS codes for HFCs; undertaking training need assessment for servicing sector; and assisting customs office in developing national custom codes for different HFCs and including them in the Customs Tariff to ensure proper monitoring and recording of imports/exports or re-export of individual HFCs.	Jun-22
Marshall Islands (the) MAS/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	27.4	Finalization of country assessment report; roundtable workshops and trainings; finalization of regulation amendment drafting; and development of knowledge products and information materials.	Jun-22
Mauritania MAU/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	56.7	Training needs assessment for the servicing sector and preparing an assessment report; development of country-specific national HS codes for HFCs; sensitisation meetings for technicians on safe handling of HFCs and their alternatives; assisting customs office in developing national custom codes for different HFCs and including them into the Customs Tariff.	Jun-22
Mauritius MAR/SEV/82/TAS/28	Enabling activities for HFC phase-down	Dec-18	90	Conduct stakeholder consultative meetings on enabling policies and strategies for quick adoption of low-GWP HFC alternative technologies; and assisting customs office in developing national custom codes for different HFCs and including them into the Customs Tariff.	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
Mexico MEX/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	33	Specialized training in HFC controls for customs officers.	Dec-21
Mozambique MOZ/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	86.7	Undertaking the training needs assessment for the servicing sector and preparing an assessment report; revising the existing national ozone-depleting substances legislation for HFC and alternatives; and conducting sensitization meetings for technicians on safe handling of HFCs and their alternatives.	Dec-21
Myanmar MYA/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	27.5	Finalization of country assessment report, roundtable workshops and trainings; drafting regulation amendment; development of knowledge products and information materials; and HS code revision 2022.	Jun-22
Nepal NEP/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	45.1	Consultations on Kigali Amendment ratification; country assessment report finalization; roundtable workshops and training; finalization of drafting the amendment to the regulation; development of knowledge products and information materials; and finalization of safety standards.	Jun-22
Oman OMA/SEV/81/TAS/35	Enabling activities for HFC phase-down	Jun-18	45.4	Drafting required ratification instrument; capacity building for enhanced monitoring and reporting; and finalization of country assessment report.	Dec-21
Pakistan PAK/SEV/81/TAS/97	Enabling activities for HFC phase-down	Jun-18	4.9	Consultations on Kigali Amendment ratification; country assessment report finalization; roundtable workshops and trainings; finalization of drafting the amendment to the regulation; development of knowledge products/information materials; awareness workshops for retailers, building sector, energy efficiency, climate change and public procurement focal points; and revision of web based one customs (WeBOC) to include HFCs.	Jun-22
Paraguay PAR/SEV/81/TAS/02+	Enabling activities for HFC phase-down	Jun-18	27.6	Reviewing safety standards for the use of flammable refrigerants; drafting specific regulations to control low-GWP alternatives; developing national customs codes for main zero-/low-GWP alternatives; training of trainers on import/export controls for HFCs; analysis and revision of the current national labor competency standards; and disseminating the revisions	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				adopted to refrigeration technicians, nation-wide, through different media.	
Qatar QAT/SEV/82/TAS/23	Enabling activities for HFC phase-down	Dec-18	7	Implementing activities aiming at strengthening the related institutional frameworks using the best regional/international practices related to HFCs and low-GWP alternatives including proposal for updating codes/standards; completing reviewing the national reporting system to include HFCs, HFC blends and HFC containing products/equipment; and providing assistance to customs and relevant ministries to ensure accurate reporting/monitoring of HFC trade.	Dec-21
Saint Kitts and Nevis STK/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	0	Analysis of ozone and climate legislation to support Kigali Amendment, policy paper on Kigali Amendment ratification; stakeholder consultations meetings and awareness raising on HFC phase-down and energy efficiency; training needs assessment for the RAC service sector; mapping to determine HFCs available on the local market; technical assistance on HFC data collection; RAC technology projection; symposium on Kigali Amendment ratification impacts and seminar on the transition to low-GWP technologies; training seminar for technicians on management of alternatives; consultations on the revision/review of the ODS licensing and quota systems, developing country-specific HS codes for HFCs; and knowledge, attitude and practices study of the RAC service sector, national strategy on a staged approach to introducing low-GWP energy efficient alternatives and supporting RAC service sector in transitioning from HFC refrigerants.	Jun-22
Saint Lucia STL/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	0	Comprehensive review of licensing and quota system for including HFCs and alternatives, and controls on HFC-based products, policy interventions for energy efficiency and/or adapting safety standards for the proper handling of flammable/toxic refrigerants; developing country-specific HS codes for HFCs; knowledge, attitude, and practices study of the RAC	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				service sector regarding low-GWP and flammable refrigerants, and supporting RAC service sector on managing transition from HFC-based refrigerants; and national strategy on a staged approach to introducing low-GWP energy efficient alternatives.	
Saint Vincent and the Grenadines STV/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	0	Analysis of ozone and climate legislation to support Kigali Amendment; stakeholder consultations meetings and awareness raising on HFC phase-down and energy efficiency; training needs assessment for the RAC service sector; mapping of HFCs available on the local market and technical assistance on HFC data collection, RAC technology projection; symposium on impacts of the Kigali Amendment ratification and seminar on the transition to low-GWP refrigerants; training seminar for technicians on management of alternatives; developing country-specific HS Codes for HFCs; knowledge, attitude, and practices study of the RAC service sector; and developing a national strategy on a staged approach to introducing low-GWP energy efficient technologies and change management support for RAC service sector in transitioning from HFC refrigerants.	Jun-22
Sao Tome and Principe STP/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	73.5	Development of country-specific HS codes for HFCs; conducting training needs assessment for serving sector; sensitization meetings for technicians on safe handling of HFCs and their alternatives; and assisting Customs Office in developing national custom codes for different HFCs and including them into the Customs Tariff for proper monitoring and recording of imports/exports or re-export of individual HFCs.	Jun-22
Saudi Arabia SAU/SEV/81/TAS/33	Enabling activities for HFC phase-down	Jun-18	33.4	Updating the HFC licensing system along with related capacity building; and the finalization of country assessment report.	Dec-21
Senegal SEN/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	66.7	Sensitization meetings for technicians on safe handling of HFCs and their alternatives; and assisting customs office in developing national custom codes for	Dec-21

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				different HFCs and including them into the customs tariff.	
Sierra Leone SIL/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	52.6	Conducting sensitization meetings for technicians on safe handling of HFCs and their alternatives; and assisting national customs authorities in establishing national custom codes for HFCs.	Dec-21
Solomon Islands SOI/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	42.2	Consultations on Kigali Amendment ratification; finalization of country assessment report; roundtable workshops and trainings; finalization of draft regulation amendment; development of knowledge products and information materials; and finalization of e-licensing system.	Jun-22
South Sudan SSD/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	31.6	Analysis of existing legislation and drafting amendments; conducting sensitization meetings for technicians on safe handling of HFCs and their alternatives; and revising the existing national Ozone-Depleting Substances legislation (and ODS-based equipment).	Jun-22
Sri Lanka SRL/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	59.8	Finalization of stakeholder engagement strategy; roundtable workshops and trainings; finalization of safety and energy efficiency standards; finalization study on Recognition of Prior Learning in the Technical and Vocational Education and Training system for RAC; and development of knowledge products and information materials on Kigali Amendment, energy efficiency and safe-handling of low-GWP technologies.	Jun-22
Sudan (the) SUD/SEV/80/TAS/02+	Enabling activities for HFC phase-down	Nov-17	53.3	Implementing public awareness regarding the Kigali Amendment and continuing stakeholder consultations; raising awareness of technicians on available HFC alternatives and their safe handling; and training customs officers on monitoring and controlling HFC trade at all the major ports of entry.	Dec-21
Suriname SUR/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	0	Analysis of ozone and climate legislation to support Kigali Amendment; stakeholder consultations meetings and awareness raising on HFC phase-down and energy efficiency; training needs assessment for	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				the RAC service sector; mapping HFCs available in the local market; technical assistance for HFC data collection, projection of RAC technology trends; symposium on impacts of the Kigali Amendment ratification and seminar on the transition to low-GWP technologies; training seminar for technicians on management of alternatives; developing country-specific HS codes for HFCs; knowledge, attitude, and practices study of the RAC service sector; and developing national strategy on a staged approach to introducing low-GWP energy efficient alternatives and change management support to assist service to manage transition from HFCs to alternative refrigerants.	
Timor-Leste TLS/SEV/82/TAS/19	Enabling activities for HFC phase-down	Dec-18	47.7	Conducting roundtable workshops and trainings; finalization of the amendment to the draft regulation; and development of knowledge products and information materials.	Jun-22
Togo TOG/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	83.3	Development of country-specific national HS codes for HFCs; assisting customs office in developing national custom codes for different HFCs and including them into the Customs Tariff; and undertaking training needs assessment for the service sector.	Dec-21
Uganda UGA/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	50	Undertaking the training needs assessment for the servicing sector and preparing an assessment report; and developing country-specific national HS codes for HFCs to facilitate proper monitoring and recording of imports/exports of individual HFCs/alternatives by customs office.	Jun-22
United Republic of Tanzania (the) URT/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	84.2	Conducting stakeholder consultative meetings on the ratification of the Kigali Amendment; undertaking the training needs assessment for the servicing sector and preparing an assessment report; and revising and updating the existing National Ozone-Depleting Substances legislation and drafting the ODS alternative regulation.	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
Zambia ZAM/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	89.5	Consumer awareness activities on the adoption of energy efficiency technologies; and information sharing workshops for customs and environmental officers.	Dec-21
UNIDO					
Argentina ARG/SEV/81/TAS/02+	Enabling activities for HFC phase-down	Jun-18	43.2	Finalization of key strategy documents, including the 'Assessment on national existing capacities on HFC control and linkages identified with climate change programmes', 'Map of national legal and regulatory instruments on HFC control' and the 'Training programme for customs and environment officers'; dissemination of relevant guidelines and reports to key stakeholders; and the completion of remaining awareness raising activities keeping in view COVID-19 constraints.	Jun-22
Argentina ARG/REF/81/INV/01+	Conversion project for replacement of HFC-134a with isobutane (R-600a)/propane (R-290)-based refrigerant in the manufacture of domestic and commercial refrigeration equipment at Briket, Bambi and Mabe-Kronen	Jun-18	58.2	Installation, commissioning including safety verification; and training at the three enterprises.	Jan-22
Chile CHI/SEV/80/TAS/02+	Enabling activities for HFC phase-down	Nov-17	25	Training for the NOU and relevant sectorial stakeholders on HFC policies, energy efficiency aspects for RAC equipment, safety in the handling of flammable alternatives and personnel certification scheme for handling flammable refrigerants.	Dec-21
Congo (the) PRC/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	73.3	Follow up on final steps relating to ratification; awareness raising relating to Kigali Amendment matters; and technical and administrative support for completing the pending activities.	Dec-21
Egypt EGY/SEV/81/TAS/02+	Enabling activities for HFC phase-down	Jun-18	24.9	Analysis of existing ozone and climate policy/legislation; and drafting the amendments to the existing legislation to allow for ratification of the Kigali Amendment; preparing the package on the ratification of Kigali Amendment; and undertaking the	Jun-22

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				training needs assessment for the servicing sector and preparing an assessment report.	
Jordan JOR/SEV/82/TAS/104	Enabling activities for HFC phase-down	Dec-18	42.7	Conducting stakeholder workshop and finalization of the report.	Dec-21
Libya LIB/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	12.2	Preparation of legal documents for ratification of the Kigali Amendment and follow-up activities for ratification.	Jun-22
Mexico MEX/REF/81/INV/04+	Conversion of commercial refrigeration manufacturing in two facilities from the use of HFC-134a and R-404A as the refrigerants to propane (R-290) and isobutane (R-600a) at Imbera	Jun-18	0.8	Finalization of installation of equipment and safety audit at Fersa and Imbera plant; and training of service technicians on using low-GWP alternatives.	Dec-21
Morocco MOR/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	9.2	Update of tariff codes and licensing system; finalizing the report on HFC consumption and the report on the situation of the RAC servicing sector and legal, institutional and policy measures for the implementation of the Kigali Amendment and follow-up support for ratification of the Kigali Amendment.	Jan-22
Niger (the) NER/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	76.2	Finalization and adoption of national and regional HS codes; training activities for Government/customs office; and awareness activities for the RAC service sector.	Dec-21
Philippines (the) PHI/SEV/83/TAS/02+	Enabling activities for HFC phase-down	Nov-17	48.6	Final stakeholder meetings and validation workshop that could not be conducted due to restriction in the country.	Dec-21
Qatar QAT/SEV/82/TAS/24	Enabling activities for HFC phase-down	Dec-18	10	Activities with regard to HFC survey and analysis including identifying opportunities, challenges and barriers for applying low-GWP alternatives for various applications as well as estimating potential impact of transition to low-GWP alternatives, projected CO ₂ emissions avoided, feasibility and potential methodology for estimating HFC bank and emissions; reviewing the licensing system including organizing workshop or webinar on licensing systems to highlight the regulatory and administrative measures for the control of HFCs and HFC blends; and organising	Dec-21

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Revised completion date (month/year)
				workshop or webinar to identify training needs for customs officers and metrological and standards organization on monitoring and controlling HFCs trade.	
Somalia SOM/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	69.5	Completion of the remaining activities including review of the licensing systems, review of the data reporting systems and preparation of national strategy for Kigali Amendment implementation.	Dec-21
Turkey TUR/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	75.1	Completion of study tour for experience exchange relating to Kigali Amendment implementation.	Dec-21
Uruguay URU/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	86.6	Completion of review of on-line training programmes.	Dec-21
Venezuela (Bolivarian Republic of) VEN/SEV/81/TAS/01+	Enabling activities for HFC phase-down	Jun-18	56.2	Review of standards for adoption of HFC-free technologies; customs trainings related to HFC control; and technical and administrative support for ratification.	Jun-22
WORLD BANK					
Thailand THA/SEV/80/TAS/01+	Enabling activities for HFC phase-down	Nov-17	42.7	Finalization of cost analysis and strategy development; stakeholder consultation on the strategy; and finalization of report.	Sep-21

Annex X

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

Country	Views expressed by the Executive Committee
Algeria (Stage I)	Noting that the third (2014) and fourth (2017) tranches of stage I of the HPMP submitted to the 87 th meeting had been withdrawn, and urging the Government of Algeria to work with UNIDO to expedite implementation of the second (2012) tranche of stage I so that the third and fourth (2014 and 2017) tranches could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2014 and subsequent tranches.
Bahamas (the) (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic and that the mandatory verification on HCFC consumption targets had not been completed and urging the Government of the Bahamas to work with UNEP to complete the verification so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Bahrain (Stage I)	Noting the delays in signing the agreement and that the overall disbursement rate of the third (2019) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Bahrain to work with UNEP to expedite the signing of the agreement so that the fourth (2020) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Bangladesh (Stage II)	Noting that the overall disbursement rate of the first (2018) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Bangladesh to work with UNDP so that the second (2020) tranche of stage II could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Brazil (Stage II)	Noting the delays due to external factor in addition to the main challenge being limited supply of HFO at a high cost, and urging the Government of Brazil to work with UNDP, UNIDO and the Government of Germany so that the 2021 tranche of stage II could be submitted to the 88 th meeting.
Burundi (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic and that the mandatory verification on HCFC consumption targets had not been completed and urging the Government of Burundi to work with UNEP to complete the verification so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Colombia (Stage II)	Noting the delays due to constraints imposed by the COVID-19 pandemic in the implementation of investment component, and urging the Government of Colombia to work with UNDP, UNEP and the Government of Germany so that the fourth (2021) tranche of stage II of the HPMP could be submitted to the 88 th meeting.
Congo (the) (Stage I)	Noting the delays due to the non-submission of the progress and financial reports, and urging the Government of the Congo to work with UNEP to submit the required progress and financial reports so that the fifth (2020) tranche of stage I of the HPMP could be submitted to the 88 th or 89 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Cote d'Ivoire (Stage I)	Noting the delays due to the non-submission of the progress and financial reports, and urging the Government of Cote d'Ivoire to work with UNEP to submit the required progress and financial reports so that the fourth (2021) tranche of stage I of the HPMP could be submitted to the 88 th or 89 th meeting.
Djibouti (Stage I)	Noting the delays due to the non-submission of the progress and financial reports, and urging the Government of Djibouti to work with UNEP to submit the required progress and financial reports so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 88 th or 89 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.

Country	Views expressed by the Executive Committee
Egypt (Stage II)	Noting the delays in signing the agreement and that the overall disbursement rate of the second (2019) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Egypt to work with UNEP to expedite the signing of the agreement and to work with UNDP, UNEP and UNIDO so that the third (2021) tranche of stage II could be submitted to the 88 th meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Equatorial Guinea (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic and that the mandatory verification on HCFC consumption targets had not been completed and urging the Government of Equatorial Guinea to work with UNEP to complete the verification so that the fourth (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Indonesia (Stage II)	Noting the delays due to constraints imposed by the COVID-19 pandemic and urging the Government of Indonesia to work with UNDP and the World Bank so that the third (2021) tranche of stage II of the HPMP could be submitted to the 88 th meeting.
Mali (Stage I)	Noting the delays due to constraints imposed by the COVID-19 pandemic and the non-submission of the progress and financial reports and urging the Government of Mali to work with UNEP to submit the required progress and financial reports, and with UNDP and UNEP so that the fifth (2020) tranche could be submitted to the 88 th or 89 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Mauritania (Stage I)	Noting the delays due to the non-submission of the progress and financial reports and the request by the Government of Mauritania to replace UNDP with UNIDO as the cooperating implementing agency, urging the Government of Mauritania to work with UNEP to submit the required progress and financial reports, requesting UNDP to return to the Multilateral Fund all funding approved under stage I, and further urging the Government to work with UNEP and UNIDO so that the second (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches and the change of the cooperating implementing agency.
Mexico (Stage II)	Noting the delays due to structural changes within the Government and the NOU and that the overall disbursement rate of the third (2018) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Mexico to work with UNEP and UNIDO so that the fourth (2020) tranche of stage II could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Mozambique (Stage I)	Noting that the mandatory verification on HCFC consumption targets had not been completed and urging the Government of Mozambique to work with UNEP to complete the verification so that the fifth (2020) tranche could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Niger (the) (Stage I)	Noting the delays due to external factors and that the overall disbursement rate of the second (2019) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of the Niger to work with UNEP and UNIDO so that the third (2020) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Nigeria (Stage II)	Noting the delay due to the lengthy process for endorsement by stakeholders of the stage II of the HPMP project document and that the overall disbursement rate of the first (2018) tranche of stage II was below the 20 per cent disbursement threshold, and urging the Government of Nigeria to work with UNDP and the Government of Italy so that the second (2020) tranche of stage II could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Pakistan (Stage II)	Noting that the third (2020) tranche of stage II of the HPMP submitted to the 87 th meeting had been withdrawn, and urging the Government of Pakistan to work with UNEP and UNIDO to expedite implementation of the second (2018) tranche of stage II so that the

Country	Views expressed by the Executive Committee
	third (2020) tranche could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Saint Kitts and Nevis (Stage I)	Noting the delays due to the non-submission of the progress and financial reports and that the mandatory verification on HCFC consumption targets had not been completed, and urging the Government of Saint Kitts and Nevis to submit the required progress and financial reports and to work with UNEP to complete the verification so that the third (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Somalia (Stage I)	Noting the delays due to complex implementation modalities due to the political situation and additional security clearance issues, and urging the Government of Somalia to work with UNIDO so that the third (2020) tranche of stage I of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
South Africa (Stage I)	Noting that the overall disbursement rate of the fourth (2016) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of South Africa to work with UNIDO so that the fifth (2018) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2018 tranche, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
South Sudan (Stage I)	Noting the delays due to the constraints imposed by the COVID-19 pandemic, the political instability and the delayed approval and/or endorsements of decisions by the Government, and that the overall disbursement rate of the first (2016) tranche of stage I of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of South Sudan to work with UNDP and UNEP so that the second (2018) tranche of stage I could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2018 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Venezuela (Bolivarian Republic of) (Stage II)	Noting the delays due to the political situation in the country, and urging the Government of the Bolivarian Republic of Venezuela to work with UNIDO so that the second (2019) tranche of stage II of the HPMP could be submitted to the 88 th meeting with a revised plan of action to take into account the reallocation of the 2019 and subsequent tranches.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/87/IAP/3
Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
AFGHANISTAN						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase X: 1/2022-12/2023)	UNEP		\$192,000	\$0	\$192,000	
	Total for Afghanistan		\$192,000		\$192,000	
ALBANIA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$85,000	\$5,950	\$90,950	
Preparation of an HFC phase-down plan	UNEP		\$45,000	\$5,850	\$50,850	
	Total for Albania		\$130,000	\$11,800	\$141,800	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/87/IAP/3
Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ARGENTINA						
PRODUCTION						
HFC- emission control						
Control and phase-out of HFC-23 emissions in production of HCFC-22 at FIASA (first tranche)	UNIDO		\$1,527,851	\$106,950	\$1,634,801	
<p><i>Approved on the understanding that the Government would ensure that, by 1 January 2022 and thereafter, emissions of HFC-23 by-product from the HCFC-22 production line were destroyed in compliance with the Montreal Protocol and that emissions from the line were at or below 0.1 kg of HFC-23 emissions per 100 kg of HCFC-22 produced; a maximum amount of US \$502,766, out of the total funding approved, was associated with incremental operating costs and would be divided in annual tranches to be provided to Argentina upon verification of the quantity of HFC-23 by-product destroyed; the incremental operating costs in each annual tranche would be calculated by multiplying the quantity of HFC-23 destroyed by US \$1.40/kg; the Government would have flexibility to use the funding approved in principle to compensate the production plant, Frio Industrias Argentinas, for the closure of its HCFC-22 production should the plant decide permanently to close its HCFC-22 production line prior to 1 January 2024, with the exception of any funds approved for independent verification for years subsequent to the year of closure, which should be returned to the Multilateral Fund, and on the understanding that any production of any other substance listed in Annexes C or F to the Protocol at that facility would not be eligible for funding; the project would be completed by 1 January 2031; the Government committed to there being no additional funding from other sources for HFC-23 by-product emissions control at Frio Industrias Argentinas during or after completion of the project, including HFC-23 credits or offsets. Noted that the funding approved in principle was the total funding that would be available to the Government from the Multilateral Fund for the control of HFC-23 by-product emissions; that the costs agreed recognized the special circumstances of the project in Argentina and did not set a precedent for the calculation of costs for any other projects for the control of HFC-23 by-product emissions; requested the Secretariat, in cooperation with UNIDO, to prepare a draft Agreement between the Government and the Executive Committee for the control of HFC-23 by product emissions for consideration at the 88th meeting.</i></p>						
Total for Argentina			\$1,527,851	\$106,950	\$1,634,801	
ARMENIA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNEP		\$170,000	\$22,100	\$192,100	
Total for Armenia			\$170,000	\$22,100	\$192,100	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BELIZE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$95,350	\$12,396	\$107,746	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030, on the understanding that no more funding would be provided for the phase out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; and to establish a ban on the import of HCFC-based equipment by 1 January 2023. Deducted 1.74 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption is in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption in Belize for the period 2030-2040.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNDP		\$73,854	\$6,647	\$80,501	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030, on the understanding that no more funding would be provided for the phase out of HCFCs. Noted the commitment of the Government to completely phase out HCFCs and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; and to establish a ban on the import of HCFC-based equipment by 1 January 2023. Deducted 1.74 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption is in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption in Belize for the period 2030-2040.</i></p>						
HCFC phase-out management plan (stage I, third tranche)	UNEP	0.1	\$37,500	\$4,875	\$42,375	
<p><i>Approved, on an exceptional basis, the extension of the date of completion of stage I of the HPMP to 31 December 2022, given delay in implementing phase-out activities due to the COVID-19 pandemic, and on the understanding that no further extension of project implementation would be requested. Noted that the Agreement between the Government and the Executive Committee had been updated to reflect the extension of the duration of stage I and the complete phase-out of HCFC-141b by 1 January 2022; and to indicate that the revised updated Agreement supersedes that reached at the 79th meeting.</i></p>						

List of projects and activities approved for funding

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Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase X: 7/2021-6/2023)	UNEP		\$98,176	\$0	\$98,176	
	Total for Belize	0.1	\$304,880	\$23,918	\$328,798	
BENIN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$60,000	\$7,800	\$67,800	
<i>Approved, on an exceptional basis given potential further delay in implementing phase-out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested, the extension of the date of completion of stage I of the HPMP for Benin to 31 December 2022.</i>						
	Total for Benin		\$60,000	\$7,800	\$67,800	
BHUTAN						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$25,000	\$1,750	\$26,750	
Preparation of an HFC phase-down plan	UNEP		\$75,000	\$9,750	\$84,750	
	Total for Bhutan		\$100,000	\$11,500	\$111,500	

* HCFC in ODP tonnes. HFC in metric tonnes

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BOLIVIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.2	\$24,000	\$3,120	\$27,120	

Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to ban the import of HCFC-based RAC equipment by 1 January 2023; to ban the import of HCFC-141b and HCFC-141b contained in imported pre-blended polyols by 1 January 2024; to implement the RAC technician certification scheme by 1 January 2025; to, by 1 January 2026: implement an electronic licensing system; implement a prohibition on venting of HCFCs during installation, servicing and decommissioning of RAC equipment, and a prohibition on disposable cylinders; finalize and implement a regulation requiring recovery of HCFCs during the servicing of RAC equipment, and regulation requiring leak checking for larger equipment (greater than 3 kg of refrigerant); establish a code of practice for RAC technicians; to reduce HCFC consumption by 45 per cent of the country's baseline by 1 January 2022, 67.5 per cent by 1 January 2025, 85 per cent by 1 January 2028, and phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol. Deducted 4.57 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040.

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to ban the import of HCFC-based RAC equipment by 1 January 2023; to ban the import of HCFC-141b and HCFC-141b contained in imported pre-blended polyols by 1 January 2024; to implement the RAC technician certification scheme by 1 January 2025; to, by 1 January 2026: implement an electronic licensing system; implement a prohibition on venting of HCFCs during installation, servicing and decommissioning of RAC equipment, and a prohibition on disposable cylinders; finalize and implement a regulation requiring recovery of HCFCs during the servicing of RAC equipment, and regulation requiring leak checking for larger equipment (greater than 3 kg of refrigerant); establish a code of practice for RAC technicians; to reduce HCFC consumption by 45 per cent of the country's baseline by 1 January 2022, 67.5 per cent by 1 January 2025, 85 per cent by 1 January 2028, and phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol. Deducted 4.57 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040.</i></p>	UNIDO	1.0	\$141,009	\$9,871	\$150,880	
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$170,000	\$11,900	\$181,900	
		Total for Bolivia	1.2	\$335,009	\$24,891	\$359,900

BOSNIA AND HERZEGOVINA

PHASE-OUT PLAN

HCFC phase out plan

<p>HCFC phase-out management plan (stage I, fifth tranche)</p> <p><i>Approved, on an exceptional basis, the extension of the completion date of stage I of the HPMP to 31 December 2022, given the delays in implementing phase-out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested. Approved on the understanding that US\$32,206, plus agency support costs of US\$2,254 for UNIDO associated with the enterprise SOKO that had withdrawn from the project, would be deducted from stage II of the HPMP.</i></p>	UNIDO		\$30,000	\$2,100	\$32,100	
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* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/87/IAP/3
Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2026 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs and no servicing tail will be needed. Noted the commitment of the Government to finalize regulations requiring recovery of HCFCs during the servicing of RAC equipment by 31 December 2022; to establish penalties for contraventions to the prohibition on venting of HCFCs during installation, servicing, and decommissioning of RAC equipment by 31 December 2022; to establish by 1 January 2026: mandatory record-keeping practices, including refrigerant and equipment logbooks for systems containing more than 3 kg of refrigerant; mandatory recovery of HCFCs from containers and equipment at their end-of-life; prohibition of disposable refrigerant cylinders; regulation allowing sale of HCFCs to certified technicians only; reduce HCFC consumption by 75 per cent in 2021, 80 per cent in 2023, and 90 per cent in 2025; and phase out HCFCs completely by 1 January 2026 in advance of the Montreal Protocol phase-out schedule, and to ban the import of HCFCs by 1 January 2026. Deducted 1.59 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>	UNIDO	0.7	\$126,140	\$8,830	\$134,970	
Total for Bosnia and Herzegovina		0.7	\$156,140	\$10,930	\$167,070	
BURKINA FASO						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	Germany		\$190,000	\$24,700	\$214,700	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XIV: 7/2021-6/2023)	UNEP		\$92,685	\$0	\$92,685	
Total for Burkina Faso			\$282,685	\$24,700	\$307,385	
BURUNDI						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IX: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Burundi			\$85,000		\$85,000	
CAMBODIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XI: 1/2022-12/2023)	UNEP		\$144,214	\$0	\$144,214	
Total for Cambodia			\$144,214		\$144,214	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
CHAD						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$65,000	\$8,450	\$73,450	
<i>Approved, on an exceptional basis, the extension of the date of completion of stage I of the HPMP for Chad to 31 December 2022, given the delay in implementing phase out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested.</i>						
Total for Chad			\$65,000	\$8,450	\$73,450	
CHILE						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XIV: 7/2021-6/2023)	UNDP		\$238,784	\$16,715	\$255,499	
Total for Chile			\$238,784	\$16,715	\$255,499	
COLOMBIA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$220,000	\$15,400	\$235,400	
Total for Colombia			\$220,000	\$15,400	\$235,400	
COMOROS						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$16,000	\$2,080	\$18,080	
<i>Approved, on an exceptional basis, the extension of the date of completion of stage I of the HPMP for the Comoros to 31 December 2022, given delay in implementing phase out activities due to the COVID 19 pandemic, and noting that no further extension of project implementation would be requested.</i>						
Total for Comoros			\$16,000	\$2,080	\$18,080	
CONGO						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XI: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Congo			\$85,000		\$85,000	

List of projects and activities approved for funding

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
CONGO, DR						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase X: UNEP 7/2021-6/2023)			\$85,000	\$0	\$85,000	
		Total for Congo, DR	\$85,000		\$85,000	
COSTA RICA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$170,000	\$11,900	\$181,900	
		Total for Costa Rica	\$170,000	\$11,900	\$181,900	
CUBA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$170,000	\$11,900	\$181,900	
		Total for Cuba	\$170,000	\$11,900	\$181,900	
DOMINICAN REPUBLIC						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$190,000	\$13,300	\$203,300	
		Total for Dominican Republic	\$190,000	\$13,300	\$203,300	
ECUADOR						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$190,000	\$13,300	\$203,300	
		Total for Ecuador	\$190,000	\$13,300	\$203,300	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
EL SALVADOR						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNDP	3.8	\$169,000	\$11,830	\$180,830	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 54 per cent of the country's baseline by 2021, 71 per cent by 2022, 75 per cent by 2025, 80 per cent by 2026, 97.5 per cent by 2028, and phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; and to ban the import of HCFC-based equipment by 1 January 2025. Deducted 7.59 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040.</i></p>						
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.3	\$26,000	\$3,380	\$29,380	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 54 per cent of the country's baseline by 2021, 71 per cent by 2022, 75 per cent by 2025, 80 per cent by 2026, 97.5 per cent by 2028, and phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; and to ban the import of HCFC-based equipment by 1 January 2025. Deducted 7.59 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040.</i></p>						
Total for El Salvador		4.2	\$195,000	\$15,210	\$210,210	
EQUATORIAL GUINEA						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase IV: 7/2021-6/2023)	UNEP		\$102,400	\$0	\$102,400	

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
Total for Equatorial Guinea			\$102,400		\$102,400
ERITREA					
SEVERAL					
Ozone unit support					
Renewal of the institutional strengthening project (phase V: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000
Total for Eritrea			\$85,000		\$85,000
ESWATINI					
PHASE-OUT PLAN					
HFC phase down plan					
Preparation of an HFC phase-down plan	UNDP		\$30,000	\$2,100	\$32,100
Preparation of an HFC phase-down plan	UNEP		\$100,000	\$13,000	\$113,000
SEVERAL					
Ozone unit support					
Extension of institutional strengthening project (phase VII: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000
Total for Eswatini			\$215,000	\$15,100	\$230,100
GABON					
PHASE-OUT PLAN					
HCFC phase out plan					
HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$54,000	\$7,020	\$61,020
<i>Approved, on an exceptional basis, the extension of the date of completion of stage I of the HPMP for Gabon to 31 December 2022, given the delay in implementing phase-out activities due to the COVID-19 pandemic, and noting that no further extension of project implementation would be requested.</i>					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase XI: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000
Total for Gabon			\$139,000	\$7,020	\$146,020
GAMBIA					
SEVERAL					
Ozone unit support					
Extension of the institutional strengthening project (phase XI: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000
Total for Gambia			\$85,000		\$85,000

* HCFC in ODP tonnes. HFC in metric tonnes

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GHANA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	4.4	\$112,569	\$14,634	\$127,203	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 70 per cent of the country's baseline by 2022, 74 per cent by 2023, 79 per cent by 2025, 85 per cent by 2026, 91 per cent by 2029 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; to ban the import of HCFC-based equipment by 1 January 2025; and to ban the import of all HCFCs by 1 January 2033. Deducted 31.03 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040, and the expected annual HCFC consumption for the period 2030-2040.</i>						
HCFC phase-out management plan (stage II, first tranche)	UNDP	17.8	\$459,820	\$32,187	\$492,007	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 70 per cent of the country's baseline by 2022, 74 per cent by 2023, 79 per cent by 2025, 85 per cent by 2026, 91 per cent by 2029 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; to ban the import of HCFC-based equipment by 1 January 2025; and to ban the import of all HCFCs by 1 January 2033. Deducted 31.03 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040, and the expected annual HCFC consumption for the period 2030-2040.</i>						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNEP		\$60,000	\$7,800	\$67,800	
Preparation of an HFC phase-down plan	UNDP		\$130,000	\$9,100	\$139,100	

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Ghana		22.2	\$762,389	\$63,721	\$826,110	
GRENADA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Grenada			\$85,000		\$85,000	
GUINEA-BISSAU						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Guinea-Bissau			\$85,000		\$85,000	
INDIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche)	Germany		\$105,887	\$11,855	\$117,742	
Preparation of HCFC phase-out management plan (stage III) (air-conditioning sector)	UNDP		\$150,000	\$10,500	\$160,500	
Preparation of HCFC phase-out management plan (stage III) (refrigeration sector)	UNDP		\$150,000	\$10,500	\$160,500	
Preparation of HCFC phase-out management plan (stage III) (firefighting sector)	UNDP		\$60,000	\$4,200	\$64,200	
Preparation of HCFC phase-out management plan (stage III) (Overarching)	UNEP		\$20,000	\$2,600	\$22,600	
Preparation of HCFC phase-out management plan (stage III) (Overarching)	Germany		\$40,000	\$5,200	\$45,200	
Preparation of HCFC phase-out management plan (stage III) (Overarching)	UNDP		\$30,000	\$2,100	\$32,100	
Total for India			\$555,887	\$46,955	\$602,842	
INDONESIA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of HCFC phase-out management plan (stage III) (Overarching)	UNDP		\$90,000	\$6,300	\$96,300	

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Total for Indonesia			\$90,000	\$6,300	\$96,300	
IRAN						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of HCFC phase-out management plan (stage III) (Overarching)	UNIDO		\$15,000	\$1,050	\$16,050	
Preparation of HCFC phase-out management plan (stage III) (Overarching)	UNEP		\$15,000	\$1,950	\$16,950	
Preparation of HCFC phase-out management plan (stage III) (industrial refrigeration and industrial air-conditioning)	Germany		\$25,000	\$3,250	\$28,250	
Preparation of HCFC phase-out management plan (stage III) (industrial refrigeration and air-conditioning)	UNDP		\$25,000	\$1,750	\$26,750	
Preparation of HCFC phase-out management plan (stage III) (Overarching)	UNDP		\$25,000	\$1,750	\$26,750	
Preparation of HCFC phase-out management plan (stage III) (Air-conditioning)	UNIDO		\$50,000	\$3,500	\$53,500	
Preparation of HCFC phase-out management plan (stage III) (Overarching)	Germany		\$15,000	\$1,950	\$16,950	
Total for Iran			\$170,000	\$15,200	\$185,200	
IRAQ						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		\$335,000	\$38,671	\$373,671	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2025 to reduce HCFC consumption by 69 per cent of the country's baseline. Noted the commitment of the Government to reduce HCFC consumption by 69 per cent of the country's baseline by 2025; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 31 December 2022. That, to allow for the consideration of the second tranche of stage II of the HPMP, UNEP and UNIDO should confirm completion of stage I of the HPMP, submit the project completion reports and return any unused balances to the Fund; and UNIDO should also confirm completion of the national phase-out plan (first tranche) (IRQ/PHA/58/INV/09) and the replacement of refrigerant CFC-12 with isobutane and foam blowing agent CFC-11 with cyclopentane in the manufacturing of domestic refrigerators and chest freezers at Light Industries Company for Iraq (IRQ/REF/57/INV/07), and submit the project completion reports and return any unused balances to the Fund. Deducted 32.79 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>						

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2025 to reduce HCFC consumption by 69 per cent of the country's baseline. Noted the commitment of the Government to reduce HCFC consumption by 69 per cent of the country's baseline by 2025; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 31 December 2022. That, to allow for the consideration of the second tranche of stage II of the HPMP, UNEP and UNIDO should confirm completion of stage I of the HPMP, submit the project completion reports and return any unused balances to the Fund; and UNIDO should also confirm completion of the national phase-out plan (first tranche) (IRQ/PHA/58/INV/09) and the replacement of refrigerant CFC-12 with isobutane and foam blowing agent CFC-11 with cyclopentane in the manufacturing of domestic refrigerators and chest freezers at Light Industries Company for Iraq (IRQ/REF/57/INV/07), and submit the project completion reports and return any unused balances to the Fund. Deducted 32.79 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>	UNIDO		\$25,000	\$1,750	\$26,750	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase V: 7/2021-6/2023)	UNEP		\$307,200	\$0	\$307,200	
	Total for Iraq		\$667,200	\$40,421	\$707,621	
JORDAN						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$190,000	\$13,300	\$203,300	
	Total for Jordan		\$190,000	\$13,300	\$203,300	
KIRIBATI						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase VIII: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	
	Total for Kiribati		\$85,000		\$85,000	
KUWAIT						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VIII: 7/2021-6/2023)	UNEP		\$134,810	\$0	\$134,810	
	Total for Kuwait		\$134,810		\$134,810	

List of projects and activities approved for funding

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
KYRGYZSTAN						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNEP		\$39,000	\$5,070	\$44,070	
Preparation of an HFC phase-down plan	UNDP		\$91,000	\$6,370	\$97,370	
		Total for Kyrgyzstan	\$130,000	\$11,440	\$141,440	
LAO, PDR						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$35,000	\$2,450	\$37,450	
Preparation of an HFC phase-down plan	UNEP		\$95,000	\$12,350	\$107,350	
		Total for Lao, PDR	\$130,000	\$14,800	\$144,800	
LEBANON						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$190,000	\$13,300	\$203,300	
		Total for Lebanon	\$190,000	\$13,300	\$203,300	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

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Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
LESOTHO						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	Germany		\$168,900	\$21,957	\$190,857	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noting the commitments of the Government to achieve 71 per cent reduction from the HCFC baseline consumption by 2021, 86 per cent by 2025 and phase out HCFCs completely by 1 January 2030 and only authorize the import of HCFCs for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to adopt safety standards for flammable refrigerants by 31 December 2022; and to establish a mandatory certification of technicians by 31 December 2023. Deducted 1.00 ODP tonne of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption in Lesotho for the period 2030-2040.</i>						
Total for Lesotho			\$168,900	\$21,957	\$190,857	
LIBERIA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	Germany		\$130,000	\$16,900	\$146,900	
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IX: 11/2021-10/2023)	UNEP		\$109,073	\$0	\$109,073	
Total for Liberia			\$239,073	\$16,900	\$255,973	
MADAGASCAR						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase IX: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Madagascar			\$85,000		\$85,000	

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MALAYSIA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of HCFC phase-out management plan (stage III) (Overarching)	UNDP		\$90,000	\$6,300	\$96,300	
HFC phase down plan						
Preparation of an HFC phase-down plan	IBRD		\$220,000	\$15,400	\$235,400	
		Total for Malaysia	\$310,000	\$21,700	\$331,700	
MALDIVES						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$35,000	\$2,450	\$37,450	
Preparation of an HFC phase-down plan	UNEP		\$95,000	\$12,350	\$107,350	
		Total for Maldives	\$130,000	\$14,800	\$144,800	
MAURITIUS						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	Germany		\$170,000	\$22,100	\$192,100	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VII: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	
		Total for Mauritius	\$255,000	\$22,100	\$277,100	
MEXICO						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$85,000	\$5,950	\$90,950	
Preparation of an HFC phase-down plan	UNIDO		\$115,000	\$8,050	\$123,050	
Preparation of an HFC phase-down plan	UNEP		\$30,000	\$3,900	\$33,900	
		Total for Mexico	\$230,000	\$17,900	\$247,900	

* HCFC in ODP tonnes. HFC in metric tonnes

List of projects and activities approved for funding

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Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MOLDOVA, REP						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XI: 7/2021-6/2023)	UNEP		\$88,748	\$0	\$88,748	
Total for Moldova, Rep			\$88,748		\$88,748	
MONGOLIA						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase XII: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Mongolia			\$85,000		\$85,000	
MONTENEGRO						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$100,000	\$7,000	\$107,000	
Total for Montenegro			\$100,000	\$7,000	\$107,000	
NICARAGUA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$170,000	\$11,900	\$181,900	
Total for Nicaragua			\$170,000	\$11,900	\$181,900	
NIGER						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$170,000	\$11,900	\$181,900	
Total for Niger			\$170,000	\$11,900	\$181,900	
NIGERIA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNEP		\$58,000	\$7,540	\$65,540	
Preparation of an HFC phase-down plan	UNDP		\$137,000	\$9,590	\$146,590	

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Preparation of an HFC phase-down plan	UNIDO		\$25,000	\$1,750	\$26,750	
		Total for Nigeria	\$220,000	\$18,880	\$238,880	
NIUE						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	
		Total for Niue	\$85,000		\$85,000	
NORTH MACEDONIA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$130,000	\$9,100	\$139,100	
		Total for North Macedonia	\$130,000	\$9,100	\$139,100	
PAKISTAN						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase XI: 7/2021-6/2023)	UNDP		\$287,318	\$20,112	\$307,430	
		Total for Pakistan	\$287,318	\$20,112	\$307,430	
PALAU						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase IX: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	
		Total for Palau	\$85,000		\$85,000	
PANAMA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$190,000	\$13,300	\$203,300	
		Total for Panama	\$190,000	\$13,300	\$203,300	

List of projects and activities approved for funding

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PAPUA NEW GUINEA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fourth tranche)	Germany	1.4	\$134,000	\$15,812	\$149,812	
Total for Papua New Guinea		1.4	\$134,000	\$15,812	\$149,812	

PARAGUAY

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage II, first tranche)	UNEP	0.7	\$109,055	\$14,177	\$123,232	
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to issue a ban on the import and use of HCFC-141b pure or contained in pre-blended polyols from 1 January 2024; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024. Deducted 13.03 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the second tranche of stage II of the HPMP, UNEP and UNDP should submit the project completion report for stage I of the HPMP and return any unused balances to the Fund; and to allow for consideration of the final tranche of stage II of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040. Approved on the understanding that the funds associated to UNEP would be transferred by the Treasurer to UNEP upon confirmation by UNEP to the Secretariat that the agreement for the implementation of the third tranche of stage I had been signed and the first advance of funds for that tranche had been transferred to the Government.

List of projects and activities approved for funding

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) <i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to issue a ban on the import and use of HCFC-141b pure or contained in pre-blended polyols from 1 January 2024; and to establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024. Deducted 13.03 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the second tranche of stage II of the HPMP, UNEP and UNDP should submit the project completion report for stage I of the HPMP and return any unused balances to the Fund; and to allow for consideration of the final tranche of stage II of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040.</i>	UNDP	0.7	\$101,545	\$7,108	\$108,653	
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$170,000	\$11,900	\$181,900	
	Total for Paraguay		1.4	\$380,600	\$33,185	\$413,785
PERU						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$190,000	\$13,300	\$203,300	
	Total for Peru		\$190,000	\$13,300	\$203,300	
PHILIPPINES						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XIII: 1/2022-12/2023)	UNEP		\$231,850	\$0	\$231,850	
	Total for Philippines		\$231,850		\$231,850	
RWANDA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IX: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	

List of projects and activities approved for funding

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
Total for Rwanda			\$85,000		\$85,000

SAINT LUCIA

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage I, fifth tranche)	UNEP		\$21,000	\$2,730	\$23,730
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Approved, on an exceptional basis, the extension of the date of completion of stage I of the HPMP to 31 December 2022, noting that no further extension of project implementation would be requested. Approved on the understanding that UNEP will sign the SSFA with the Government for the fifth tranche no later than 15 November 2021 and that UNEP will submit to the 88th meeting a report on the status of the signing of the SSFA for the fifth tranche and the disbursement of the first instalment under the SSFA. Noted that the Agreement between the Government and the Executive Committee had been updated to reflect the extension of the duration of stage I and the revised funding schedule, the changes in monitoring institutions and roles, and to indicate that the revised updated Agreement superseded that reached at the 76th meeting. The Government, UNEP and UNIDO were requested to submit a progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2023.

HCFC phase-out management plan (stage II, first tranche)	UNIDO	0.1	\$83,000	\$7,470	\$90,470
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 47 per cent of the country's baseline by 2022, 67.5 per cent by 2025 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol. Deducted 0.71 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040.

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.1	\$81,000	\$10,530	\$91,530	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 47 per cent of the country's baseline by 2022, 67.5 per cent by 2025 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol. Deducted 0.71 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040.</i>						
Total for Saint Lucia		0.2	\$185,000	\$20,730	\$205,730	
SAMOA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase XI: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Samoa			\$85,000		\$85,000	
SAO TOME AND PRINCIPE						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VII: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
Total for Sao Tome and Principe			\$85,000		\$85,000	
SENEGAL						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNEP		\$135,000	\$17,550	\$152,550	
Preparation of an HFC phase-down plan	UNIDO		\$55,000	\$3,850	\$58,850	
Total for Senegal			\$190,000	\$21,400	\$211,400	

* HCFC in ODP tonnes. HFC in metric tonnes

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SIERRA LEONE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNIDO	0.3	\$117,000	\$10,530	\$127,530	

Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 67 per cent of the country's baseline by 2021, 85 per cent by 2025 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; to set up an online HCFC licensing and quota system by 1 January 2023; and to ban the import of HCFC-based equipment by 1 January 2025. Deducted 1.09 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040. Approved on the understanding that the recommendations included in the verification report submitted to the 87th meeting would be addressed during the implementation of the first tranche of stage II of the HPMP and that the actions implemented towards that end would be included in the tranche implementation report to be submitted with the request of the second tranche of stage II of the HPMP.

List of projects and activities approved for funding

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Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche)	UNEP	0.3	\$135,000	\$17,550	\$152,550	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to reduce HCFC consumption by 67 per cent of the country's baseline by 2021, 85 per cent by 2025 and to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040 where required, consistent with the provisions of the Montreal Protocol; to set up an online HCFC licensing and quota system by 1 January 2023; and to ban the import of HCFC-based equipment by 1 January 2025. Deducted 1.09 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the final tranche of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040. Approved on the understanding that the recommendations included in the verification report submitted to the 87th meeting would be addressed during the implementation of the first tranche of stage II of the HPMP and that the actions implemented towards that end would be included in the tranche implementation report to be submitted with the request of the second tranche of stage II of the HPMP.</i></p>						
Total for Sierra Leone		0.5	\$252,000	\$28,080	\$280,080	
SOMALIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V: UNEP 7/2021-6/2023)			\$85,000	\$0	\$85,000	
Total for Somalia			\$85,000		\$85,000	
SOUTH AFRICA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNIDO		\$220,000	\$15,400	\$235,400	
Total for South Africa			\$220,000	\$15,400	\$235,400	
SRI LANKA						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNEP		\$35,000	\$4,550	\$39,550	

* HCFC in ODP tonnes. HFC in metric tonnes

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Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Preparation of an HFC phase-down plan	UNDP		\$135,000	\$9,450	\$144,450	
Total for Sri Lanka			\$170,000	\$14,000	\$184,000	

TANZANIA

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage II, first tranche)	UNEP	0.2	\$172,500	\$22,425	\$194,925	
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to set up an online HCFC licensing and quota system by 1 January 2023; and to issue a ban on the import of HCFC-based RAC equipment as of 1 January 2026. Deducted 1.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the second tranche of stage II of the HPMP, UNEP and UNIDO should submit the project completion report for stage I of the HPMP and return any unused balances to the Fund, and UNEP should confirm that the country fulfills the recommendations of the verification report submitted to the 85th meeting. To allow for consideration of the final tranche of stage II of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040. Approved on the understanding that funds for the first tranche associated with UNEP, would be transferred to UNEP by the Treasurer upon confirmation by UNEP to the Secretariat that the agreement for the implementation of the third tranche of stage I had been signed.

List of projects and activities approved for funding

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2021 to 2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to set up an online HCFC licensing and quota system by 1 January 2023; and to issue a ban on the import of HCFC-based RAC equipment as of 1 January 2026. Deducted 1.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. To allow for consideration of the second tranche of stage II of the HPMP, UNEP and UNIDO should submit the project completion report for stage I of the HPMP and return any unused balances to the Fund, and UNEP should confirm that the country fulfills the recommendations of the verification report submitted to the 85th meeting. To allow for consideration of the final tranche of stage II of its HPMP, the Government should submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and the expected annual HCFC consumption for the period 2030-2040. Approved on the understanding that funds for the first tranche associated with UNEP, would be transferred to UNEP by the Treasurer upon confirmation by UNEP to the Secretariat that the agreement for the implementation of the third tranche of stage I had been signed.</i></p>	UNIDO	0.4	\$100,000	\$9,000	\$109,000	
Total for Tanzania		0.6	\$272,500	\$31,425	\$303,925	
TOGO						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, fifth tranche)</p> <p><i>Approved, on an exceptional basis, the extension of the date of completion of stage I of the HPMP for Togo to 31 December 2023, given delay in implementing phase-out activities due to the COVID-19 pandemic, and on the understanding that no further extension of project implementation would be requested. Noted that UNIDO will submit a detailed report on the results of the financial incentive programme as part of the stage II submission in line with decision 84/84(d).</i></p>	UNEP		\$63,000	\$8,190	\$71,190	
SEVERAL						
Ozone unit support						
<p>Extension of the institutional strengthening project (phase XI: 7/2021-6/2023)</p>	UNEP		\$85,000	\$0	\$85,000	
Total for Togo			\$148,000	\$8,190	\$156,190	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/87/IAP/3
Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
TONGA						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase IX: 1/2022-12/2023)	UNEP		\$85,000	\$0	\$85,000	
	Total for Tonga		\$85,000		\$85,000	
TRINIDAD AND TOBAGO						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$190,000	\$13,300	\$203,300	
	Total for Trinidad and Tobago		\$190,000	\$13,300	\$203,300	
TURKMENISTAN						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNEP		\$170,000	\$22,100	\$192,100	
	Total for Turkmenistan		\$170,000	\$22,100	\$192,100	
TUVALU						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
	Total for Tuvalu		\$85,000		\$85,000	
URUGUAY						
PHASE-OUT PLAN						
HFC phase down plan						
Preparation of an HFC phase-down plan	UNDP		\$190,000	\$13,300	\$203,300	
	Total for Uruguay		\$190,000	\$13,300	\$203,300	
VIETNAM						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	Japan	2.7	\$26,400	\$3,432	\$29,832	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/87/IAP/3
Annex XI

Project Title	Agency	ODP/Metric (tonnes)*	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing, technical assistance and project implementation and monitoring)	IBRD	32.4	\$3,781,257	\$264,688	\$4,045,945	
<i>Noted the return to the 87th meeting of US \$613,568, plus agency support costs of US \$42,950 from the World Bank, associated with the extruded polystyrene foam manufacturing enterprise Phu Vuong Corporation Industry, which was found not eligible for funding.</i>						
	Total for Vietnam	35.0	\$3,807,657	\$268,120	\$4,075,777	
ZAMBIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII: 7/2021-6/2023)	UNEP		\$85,000	\$0	\$85,000	
	Total for Zambia		\$85,000		\$85,000	
ZIMBABWE						
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase XI: 7/2021-6/2023)	UNEP		\$189,750	\$0	\$189,750	
	Total for Zimbabwe		\$189,750		\$189,750	
	GRAND TOTAL	67.4	\$19,559,645	\$1,326,292	\$20,885,937	

Summary

UNEP/OzL.Pro/ExCom/87/IAP/3
Annex XI

Sector	Tonnes (ODP/Metric)		Funds approved (US\$)		
			Project	Support	Total
BILATERAL COOPERATION					
Phase-out plan	4.1		\$1,005,187	\$127,156	\$1,132,343
TOTAL:			\$1,005,187	\$127,156	\$1,132,343
INVESTMENT PROJECT					
Production			\$1,527,851	\$106,950	\$1,634,801
Phase-out plan	63.4		\$6,614,599	\$550,039	\$7,164,638
TOTAL:			\$8,142,450	\$656,989	\$8,799,439
WORK PROGRAMME AMENDMENT					
Phase-out plan			\$6,240,000	\$505,320	\$6,745,320
Several			\$4,172,008	\$36,827	\$4,208,835
TOTAL:			\$10,412,008	\$542,147	\$10,954,155
Summary by Parties and Implementing Agencies					
Germany	1.4	1.4	\$978,787	\$123,724	\$1,102,511
Japan	2.7		\$26,400	\$3,432	\$29,832
IBRD	32.4		\$4,001,257	\$280,088	\$4,281,345
UNDP	22.3		\$4,523,321	\$318,109	\$4,841,430
UNEP	6.3		\$6,194,880	\$326,488	\$6,521,368
UNIDO	2.4		\$3,835,000	\$274,451	\$4,109,451
GRAND TOTAL (HCFCs and HFCs)	67.4		\$19,559,645	\$1,326,292	\$20,885,937

Balances on projects returned at the 87th meeting based on UNEP/OzL.Pro/ExCom/87/IAP/3

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
France* (para. 25(a)(v))	6,247	500	6,747
UNDP (para. 25(a)(ii))	58,511	4,199	62,710
UNEP (para. 25(a)(ii))	1,867,022	148,337	2,015,359
UNIDO (para. 25(a)(ii))	214,743	15,546	230,289
World Bank (para. 22(e) and para. 113(a) for Viet Nam)	3,894,023	42,950	3,936,973
Total	6,040,546	211,532	6,252,078

*Cash transfer.

Adjustment arising from the 87th meeting for transferred projects based on UNEP/OzL.Pro/ExCom/87/IAP/3

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNEP (para. 82(b)(i))	-226,305	0	-226,305
UNIDO (para. 82(b)(ii))	226,305	15,841	242,146
UNEP (para. 82(c)(i))	-10,000	-1,300	-11,300
UNIDO (para. 82(c)(ii))	10,000	700	10,700
UNEP (para. 82(d)(i))	-24,000	-3,120	-27,120
UNIDO (para. 82(d)(ii))	24,000	1,680	25,680

Net allocations based on decisions of the 87th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
Germany	978,787	123,724	1,102,511
Japan	26,400	3,432	29,832
UNDP	4,464,810	313,910	4,778,720
UNEP	4,067,553	173,731	4,241,284
UNIDO	3,880,562	277,126	4,157,688
World Bank	107,234	237,138	344,372
Total	13,525,346	1,129,061	14,654,407

Balances on projects returned at the 87th meeting based on UNEP/OzL.Pro/ExCom/87/IAP/3

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
France* (para. 25(a)(v))	6,247	500	6,747
UNDP (para. 25(a)(ii))	58,511	4,199	62,710
UNEP (para. 25(a)(ii))	1,867,022	148,337	2,015,359
UNIDO (para. 25(a)(ii))	214,743	15,546	230,289
World Bank (para. 22(e) and para. 113(a) for Viet Nam)	3,894,023	42,950	3,936,973
Total	6,040,546	211,532	6,252,078

*Cash transfer.

Adjustment arising from the 87th meeting for transferred projects based on UNEP/OzL.Pro/ExCom/87/IAP/3

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNEP (para. 82(b)(i))	-226,305	0	-226,305
UNIDO (para. 82(b)(ii))	226,305	15,841	242,146
UNEP (para. 82(c)(i))	-10,000	-1,300	-11,300
UNIDO (para. 82(c)(ii))	10,000	700	10,700
UNEP (para. 82(d)(i))	-24,000	-3,120	-27,120
UNIDO (para. 82(d)(ii))	24,000	1,680	25,680

Net allocations based on decisions of the 87th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
Germany	978,787	123,724	1,102,511
Japan	26,400	3,432	29,832
UNDP	4,472,610	314,456	4,787,066
UNEP	4,059,753	172,717	4,232,470
UNIDO	3,880,562	277,126	4,157,688
World Bank	107,234	237,138	344,372
Total	13,525,346	1,128,593	14,653,939

Annex XII

REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BELIZE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Belize (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 1.82 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) as the final reduction step under this agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3 and 4.2.3.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
 - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
 - (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche

Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on Implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. United Nations Environment Programme (UNEP) has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding

Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This revised updated Agreement supersedes the updated Agreement reached between the Government of Belize and the Executive Committee at the 79th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	2.68
HCFC-141b	C	I	0.12

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2010	2011-2012	2013-2014	2015	2016	2017-2019	2020	2021	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	2.8	2.52	2.52	2.52	1.82	1.82	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	2.8	2.52	2.52	2.52	1.82	1.82	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	80,000	0	0	0	96,000	0	0	37,500	213,500
2.2	Support costs for Lead IA (US \$)	10,400	0	0	0	12,480	0	0	4,875	27,755
2.3	Cooperating IA (UNDP) agreed funding (US \$)	60,000	0	0	0	6,500	0	0	0	66,500
2.4	Support costs for Cooperating IA (US \$)	5,400	0	0	0	585	0	0	0	5,985
3.1	Total agreed funding (US \$)	140,000	0	0	0	102,500	0	0	37,500	280,000
3.2	Total support costs (US \$)	15,800	0	0	0	13,065	0	0	4,875	33,740
3.3	Total agreed costs (US \$)	155,800	0	0	0	115,565	0	0	42,375	313,740
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)									0.94
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)									n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									1.74
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)									0.12
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)									n/a
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)									0.00

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
 - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;
 - (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by

the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and lead implementing agency; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The NOU will submit annual progress reports of status of implementation of the HPMP to UNEP.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent company or to independent consultants by UNEP.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY (UNEP)

1. The Lead IA will be responsible for the following activities:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;

- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY (UNDP)

1. The Cooperating IA will be responsible for the following activities:
 - (a) Providing policy development assistance when required;
 - (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
 - (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$2,500 per metric tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XIII

REVISED UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF SAINT LUCIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Saint Lucia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0.71 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“Maximum allowable total consumption of Annex C, Group I Substances”) as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (“The Targets, and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
 - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted and received approval from the Executive Committee for an annual implementation plan in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A.

- (a) Reallocations categorized as major changes must be documented in advance in an annual implementation plan and approved by the Executive Committee as described in sub-paragraph 5(d) above. Major changes would relate to issues potentially concerning the rules and policies of the Multilateral Fund; changes which would modify any clause of this Agreement; changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect

of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the overall plan with the changes approved as part of the subsequent submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This revised updated Agreement supersedes the Agreement reached between the Government of Saint Lucia and the Executive Committee at the 76th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.09

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013-2014	2015	2016-2017	2018	2019	2020	2021	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP Tonnes)	n/a	n/a	1.09	0.98	0.98	0.98	0.98	0.71	0.71	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	1.09	0.98	0.98	0.98	0.98	0.71	0.71	n/a	
2.1	Lead IA (UNEP) agreed funding (US \$)	13,000	13,150	0	26,300	0	9,200	0	0	21,000	82,650	
2.2	Support costs for Lead IA (US \$)	1,690	1,710	0	3,419	0	1,196	0	0	2,730	10,745	
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	88,850	11,000	0	27,500	0	0	0	0	0	127,350	
2.4	Support costs for Cooperating IA (US \$)	7,997	990	0	2,475	0	0	0	0	0	11,462	
3.1	Total agreed funding (US \$)	101,850	24,150	0	53,800	0	9,200	0	0	21,000	210,000	
3.2	Total support costs (US \$)	9,687	2,700	0	5,894	0	1,196	0	0	2,730	22,207	
3.3	Total agreed costs (US \$)	111,537	26,850	0	59,694	0	10,396	0	0	23,730	232,207	
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)											0.38
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22											0.71

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report regarding the progress since the approval of the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as

delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until the planned submission of the next tranche request, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and the Lead IA; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU), which is located within the Department of Sustainable Development of the Ministry of Education, Innovation, Gender Relations and Sustainable Development will be responsible for the day to day execution of project activities. As such, primary responsibility will reside with the Permanent Secretary of that Ministry. The NOU, through his/her supervisor (the Chief Sustainable Development Officer), will be responsible for ensuring that the Multilateral Fund Secretariat and the Ministry's policies and procedures for project management, including procurement guidelines and reporting requirements are adhered to. In this regard, the highest policy responsibility rests with the Minister of Education, Innovation, Gender Relations and Sustainable Development while at the technical level, responsibility resides with the Chief Sustainable Development Officer.

2. In addition to the formal government structure described above, the services of an independent monitoring and evaluation consultant will be engaged from time to time to provide independent verification of projects completed and targets achieved. This consultant will also support the preparation of end of project reporting.

3. Periodically the government, in collaboration with the Lead IA may convene monitoring missions to provide independent verification project outputs, achievement of targets and financial management, as considered necessary to ensure a second level of oversight.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
- (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan further, but include at least the following:

- (a) Providing policy development assistance when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XIV

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWAL OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 87th MEETING

Afghanistan

1. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project (phase X) for Afghanistan and noted with appreciation that Afghanistan reported 2018, 2019 and 2020 country programme implementation data and 2018 and 2019 data under Article 7 of the Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Afghanistan maintains an operational licensing and quota system for HCFCs and is enforcing the ban on imports of HCFC-based equipment. The Executive Committee acknowledged with appreciation that the Government has progressed in the ratification of the Kigali Amendment and finalized the proposal for revising ODS regulations to include HFCs in the licensing system which is in the process for adoption. The Executive Committee is, therefore, confident that the Government of Afghanistan will continue implementing the HCFC phase-out management plan and IS project activities as well as enabling activities, both at the policy and project levels to meet the next targets of the Montreal Protocol.

Belize

2. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project (phase X) for Belize and noted with appreciation that Belize reported 2019 and 2020 country programme implementation data to the Fund Secretariat and 2019 data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee noted that the Government of Belize has an operational licensing and quota system, that its HCFC phase-out management plan (HPMP) is being implemented and mainstreamed into the national planning process, and that the procedure for the ratification of the Kigali Amendment has been initiated. The Executive Committee is, therefore, confident that the Government of Belize will continue implementing activities that will ensure the compliance of the country with the targets of the Montreal Protocol and of its HPMP Agreement with the Executive Committee.

Burkina Faso

3. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project (phase XIV) for Burkina Faso and noted with appreciation that Burkina Faso reported 2019 and 2020 data to the Fund and Ozone Secretariats indicating that the country is in compliance with the Montreal Protocol. The Executive Committee further noted that the Government of Burkina Faso has taken steps to phase out its consumption of HCFCs, in particular, implemented an HCFC licensing and quota system, trained customs officers and refrigeration technicians, and involved relevant stakeholders in the implementation of Montreal Protocol projects. The Executive Committee acknowledged the efforts of the Government of Burkina Faso to reduce HCFC consumption, and is therefore hopeful that, within the next two years, the Government will continue the implementation of its HCFC phase-out management plan and the IS project to achieve the compliance with the Montreal Protocol.

Burundi

4. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project (phase IX) for Burundi and noted with appreciation that Burundi reported 2019 HCFC data under the country programme implementation report and Article 7 of the

Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating the country's compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Burundi has taken steps to phase out its HCFC consumption, namely the implementation of an HCFC import licensing and quota system, and training of customs officers and refrigeration technicians. The Executive Committee further noted with appreciation the ratification of the Kigali Amendment by Burundi on 26 March 2021 and the advancement of the enabling activities project to phase down HFCs. The Executive Committee acknowledged the efforts of the Government of Burundi to reduce HCFC consumption, and is confident that the Government will continue implementing activities to enable the country to comply with the obligations under the Montreal Protocol.

Cambodia

5. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase XI) for Cambodia and noted with appreciation that Cambodia submitted 2019 data under Article 7 of the Montreal Protocol and 2019 and 2020 country programme implementation reports indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Cambodia maintains an operational licensing and quota system for HCFC trade control and an electronic licensing system, that the amendment of existing regulations to include HFC import and export control is at the final stage prior to enactment, that the HCFC phase-out management plan is being implemented as planned, and that information outreach and awareness raising activities are conducted. The Executive Committee further acknowledged with appreciation that Cambodia ratified the Kigali Amendment on 8 April 2021. The Executive Committee is, therefore, confident that Cambodia will continue activities both at the policy and project levels to meet the future targets of the Montreal Protocol.

Chile

6. The Executive Committee reviewed the report presented with the request for renewal of the institutional strengthening (IS) project for Chile (phase XIII) and noted with appreciation that the Government of Chile reported 2018, 2019 and 2020 country programme implementation data to the Fund Secretariat and Article 7 data to the Ozone Secretariat indicating that the country is in compliance with the Montreal Protocol. The Executive Committee further noted that the Government of Chile has taken steps to phase out ODS consumption; in particular, implementation of HCFC imports controls through the licensing and quota system, and training of customs officers and refrigeration technicians. The Executive Committee also noted with appreciation the activities initiated to facilitate the implementation of the Kigali Amendment, including the establishment and implementation of an HFC licensing system. The Executive Committee acknowledged the efforts of the Government of Chile and is hopeful that, within the next two years, the Government of Chile will continue implementation of the HCFC phase-out management plan and IS project activities and achieve and sustain the required reduction in HCFC consumption as per the Montreal Protocol.

Congo (the)

7. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase X) for the Congo and noted with appreciation that the Congo reported 2020 HCFC data to the Fund and Ozone Secretariats indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of the Congo has taken steps to phase out its HCFC consumption, in particular by enforcing the HCFC licensing and quota system, training customs officers and refrigeration technicians under the HCFC phase-out management plan (HPMP) and organizing meetings with stakeholders, and conducting awareness-raising activities. The Executive Committee acknowledged with appreciation the efforts of the Government of the Congo to reduce HCFC consumption and is, therefore, hopeful that, within the next two years, the country will ratify the Kigali Amendment and continue the effective implementation of its HPMP and IS project to achieve and sustain the compliance with its obligations under the Montreal Protocol.

Democratic Republic of the Congo

8. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase X) for the Democratic Republic of the Congo and noted with appreciation that the country reported 2019 data to the Fund and Ozone Secretariats indicating that it is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of the Democratic Republic of the Congo has taken steps to phase out HCFC consumption, in particular, enforcement of the HCFC import control, training of customs officers on prevention of illegal ODS trade and refrigeration technicians on HCFC alternatives, and awareness raising on the HCFC phase out. The Committee further acknowledged the efforts of the Government of Democratic Republic of the Congo to introduce an HFC licensing system. The Committee is, therefore, hopeful that, within the next two years, the Government of the Democratic Republic of the Congo will continue with the implementation of its HPMP including submission of stage II of the HPMP in 2022 and the IS project to enable the country to achieve and sustain the compliance with the Montreal Protocol.

Equatorial Guinea

9. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase IV) for Equatorial Guinea and noted with appreciation that Equatorial Guinea reported 2019 HCFC data to the Ozone and Multilateral Fund Secretariats, indicating the country's compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Equatorial Guinea has taken steps to reduce HCFC consumption, namely the implementation of HCFC import controls through a licensing and quota system and training of customs officers and refrigeration technicians. The Executive Committee further acknowledged the efforts of the Government of Equatorial Guinea to implement the enabling activities project for HFC phase-down and the ratification of the Kigali Amendment. The Committee is, therefore, hopeful that the Government of Equatorial Guinea, in the next two years, will continue the implementation of its HCFC phase-out management plan and the IS project to achieve the next Montreal Protocol targets and will ratify the Kigali Amendment.

Eritrea

10. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase V) for Eritrea and noted with appreciation that Eritrea reported 2019 and 2020 country programme implementation data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee noted that the Government of Eritrea has taken steps to phase out HCFC consumption, including implementation of a licensing and quota system, and has advanced the ratification of the Kigali Amendment. The Committee is, therefore, confident that, the Government of Eritrea, in the next two years, will continue the implementation of its HCFC phase-out management plan to achieve the 67.5 per cent reduction target of the Montreal Protocol by 1 January 2025 and will finalize the Kigali Amendment ratification process.

Eswatini

11. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening project (phase VII) for Eswatini and noted with appreciation that Eswatini reported 2019 and 2020 country programme data, and 2019 data under Article 7 of the Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Committee acknowledged that the Government of Eswatini continued to implement its HCFC import and export licensing quota system; carried out training for refrigeration technicians and customs officers; developed and organized public awareness activities. The Executive Committee is, therefore, confident that the Government of Eswatini will continue implementing activities to enable the country to comply with the obligations under the Montreal Protocol. The Committee also noted with

appreciation the ratification of the Kigali Amendment by Eswatini on 24 November 2020 and the steps undertaken to meet the initial obligations under the Amendment.

Gabon

12. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase XI) and noted with appreciation that Gabon has reported 2018, 2019 and 2020 HCFC data under the country programme implementation reports and 2018 and 2019 data under Article 7 of the Montreal Protocol indicating that the country is in compliance with its obligations under the Montreal Protocol and that an operational HCFC licensing and quota system is in place. The Executive Committee also noted that the Government of Gabon has trained refrigeration technicians and customs officers; gained stakeholder support through meetings with the National Ozone Committee, importers and refrigeration association; and raised the public awareness on ozone protection. The Committee further noted with appreciation the ratification of the Kigali Amendment by Gabon on 28 February 2018. The Executive Committee acknowledged the efforts of the Government of Gabon during the reporting period and is, therefore, hopeful that, within the next two years, the country will continue the implementation of its HCFC phase-out management plan and IS project to achieve and sustain the target of 67.5 per cent reduction in HCFC consumption required by 1 January 2025.

Gambia (the)

13. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase XI) for the Gambia and noted with appreciation that the Gambia has reported 2020 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that the Government of the Gambia has an operational HCFC import and export licensing and quota system in place and has implemented activities under stage I of the HCFC phase-out management plan. The Executive Committee acknowledged with appreciation that the country ratified the Kigali Amendment on 5 May 2021. The Committee is, therefore, confident that the Gambia will continue its gradual reduction of HCFC consumption to achieve the 67.5 per cent reduction target required under the Montreal Protocol by 1 January 2025.

Grenada

14. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase VII) for Grenada and noted with appreciation that Grenada has reported 2020 country programme implementation data and data under Article 7 of the Montreal Protocol to the Multilateral Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee acknowledged the efforts of the Government of Grenada to continue implementing its HCFC phase-out management plan (HPMP) despite the constraints imposed by the COVID-19 pandemic, being on track with the HCFC phase-out schedule, and enforcing an operational electronic licensing and quota system for the import of HCFCs. The Executive Committee also noted with appreciation that Grenada ratified the Kigali Amendment on 29 May 2018. The Executive Committee is, therefore, confident that the Government of Grenada will continue implementing activities both at the policy and project levels to ensure its compliance with the Montreal Protocol and the targets set in its HPMP Agreement with the Executive Committee.

Guinea-Bissau

15. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase VII) for Guinea-Bissau and noted with appreciation that Guinea-Bissau reported 2019 data under the country programme implementation report and Article 7 of the Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Guinea-Bissau has taken steps to

phase out its HCFC consumption, in particular through the implementation of HCFC licensing and quota system and training of customs officers and refrigeration technicians. The Executive Committee appreciated the efforts of the Government of Guinea-Bissau to reduce HCFC consumption and is, therefore, hopeful that, within the next two years, the Government will continue implementation of its HCFC phase-out management plan and the IS project to achieve and sustain the compliance with the Montreal Protocol reduction targets.

Iraq

16. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase V) for Iraq and noted with appreciation that Iraq reported 2019 and 2020 data under country programme implementation reports and Article 7 of the Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee appreciated the efforts of the Government of Iraq to reduce the consumption of HCFC and be on track to achieve future obligations. The Committee is, therefore, hopeful that, within the next two years, the Government of Iraq will continue with the implementation of its HCFC phase-out management plan and IS project activities to achieve the Montreal Protocol target of 67.5 per cent reduction in HCFC consumption by 2025 and set the required groundwork for ratifying the Kigali Amendment.

Kiribati

17. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase VIII) for Kiribati and noted with appreciation that Kiribati reported 2019 data under Article 7 of the Montreal Protocol to the Ozone Secretariat and under the country programme implementation report to the Fund Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Kiribati has amended legislation to introduce an HFC licensing system, is implementing the HCFC phase-out management plan (HPMP), conducted information outreach and awareness raising activities, participated in Montreal Protocol-related meetings, and promoted gender equality in all Multilateral Fund-funded projects. The Executive Committee acknowledged the efforts of the Government of Kiribati and is, therefore, hopeful that the Government will continue the implementation of the HPMP and the IS project to achieve and sustain the HCFC phase-out targets of the Montreal Protocol.

Kuwait

18. The Executive Committee reviewed the request for the institutional strengthening (IS) project (phase VIII) for Kuwait and noted with appreciation that Kuwait reported 2019 data under Article 7 of the Montreal Protocol to the Ozone Secretariat and under the country programme implementation report to the Fund Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee acknowledged the efforts of the Government of Kuwait to reduce the consumption of HCFCs and is, therefore, hopeful that, within the next two years, the Government of Kuwait will continue with the implementation of its HCFC phase-out management plan (HPMP) and IS project activities to further reduce its HCFC consumption in accordance with the targets of the Montreal Protocol and set in its HPMP Agreement with the Executive Committee, and to complete the process for ratification of the Kigali Amendment.

Liberia

19. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase IX) for Liberia and noted with appreciation that Liberia reported 2020 data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that Liberia implemented HCFC import controls through the licensing and quota system, and trained customs officers and refrigeration technicians. The Executive Committee further noted with appreciation that Liberia ratified the Kigali Amendment on

12 July 2020. The Executive Committee acknowledged the efforts of the Government of Liberia and is, therefore, confident that the country will continue its gradual reduction of HCFC consumption to achieve the 67.5 per cent required under the Montreal Protocol by 1 January 2025.

Madagascar

20. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase IX) for Madagascar and noted with appreciation that Madagascar reported data for 2019 and 2020 under Article 7 of the Montreal Protocol and country programme implementation reports to the Ozone and Fund Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Madagascar has taken steps to phase out its consumption of HCFCs, including the implementation of HCFC import controls through a licensing and quota system and the training of customs officers and refrigeration technicians. The Committee acknowledged the efforts of the Government of Madagascar to reduce its HCFC consumption and is, therefore, hopeful that, within the next two years, Madagascar will continue with the implementation of its HCFC phase-out management plan and IS project to achieve and sustain the compliance targets of the Montreal Protocol.

Mauritius

21. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase VII) for Mauritius and noted with appreciation that Mauritius reported 2020 data under the country programme implementation report and under Article 7 of the Montreal Protocol to the Multilateral Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Mauritius has implemented a licensing and quota system for HCFC import control, extended the licensing system to include HFCs and implemented stage I of the HCFC phase-out management plan (HPMP), which included training of customs officers and refrigeration technicians. The Executive Committee acknowledged the efforts of the Government of Mauritius for both HCFC phase-out and HFC phase-down, and is, therefore, hopeful that, in the next two years, the Government will continue to implement its HPMP and the IS project to meet and sustain the 67.5 per cent reduction in HCFC consumption required under the Montreal Protocol by 1 January 2025, and will further implement the requirements under the Kigali Amendment.

Mongolia

22. The Executive Committee reviewed the request for the renewal of the institutional project (phase XII) for Mongolia and noted with appreciation that Mongolia submitted country programme implementation data and data under Article 7 of the Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating that the country has reached 35 per cent reduction target in 2020. The Executive Committee also noted that the country maintains an operational licensing and quota system for HCFCs and is enforcing the import licensing system for HFCs and equipment based on the controlled substances, and that HCFC phase-out management plan activities are being implemented as planned. The Executive Committee acknowledged the efforts taken by the Government of Mongolia to advance the ratification of the Kigali Amendment. The Executive Committee is, therefore, hopeful that Mongolia will continue implementing activities both at the policy and project levels to meet the future targets of the Montreal Protocol.

Niue

23. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase VIII) of Niue and noted with appreciation that Niue reported 2018 and 2019 data under Article 7 of the Montreal Protocol and country programme implementation reports to the Ozone and the Fund Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol and that it maintains zero consumption of HCFCs since 2011. The Executive Committee acknowledged the

efforts of the Government of Niue to comply with the initial obligations of the Kigali Amendment by establishing its HFC licensing system, and continuing to promote gender equality in all Multilateral Fund-funded projects. The Committee is, therefore, hopeful that, within the next two years, the Government of Niue will complete its stage I of the HCFC phase-out management plan (HPMP) and launch the implementation of stage II of the HPMP to continue project activities to sustain zero HCFC consumption and remain in compliance with the Montreal Protocol, including the Kigali Amendment obligations.

Pakistan

24. The Executive Committee reviewed the report presented with the request for renewal of the institutional strengthening (IS) project (phase XI) for Pakistan and noted with appreciation the timely submission of the 2018 and 2019 consumption data to both the Ozone Secretariat under Article 7 of the Montreal Protocol and the Fund Secretariat under the country programme implementation report confirming that the country is in compliance with the Montreal Protocol. The Committee also noted that the Government of Pakistan continued to work in close collaboration with stakeholders to manage and monitor the consumption of ODS, and to sustain the ODS phase-out achieved. The Committee acknowledged the efforts of the Government and is, therefore, hopeful that Pakistan will continue the timely and successful implementation of Montreal Protocol activities, including completion of stage II of the HCFC phase-out management plan, initiation of stage III of the HPMP, continuation of enabling activities for the phase-down of HFCs and the institutional strengthening project activities.

Palau

25. The Executive Committee reviewed the request for the institutional strengthening project (phase IX) for Palau and noted with appreciation that Palau reported 2019 data under Article 7 of the Montreal Protocol and the country programme implementation report to the Ozone and Fund Secretariats, respectively, indicating that the country complies with the Montreal Protocol obligations. The Executive Committee also noted that the Government of Palau continued the enforcement of the ban on import of HCFC-based equipment and that the Steering Committee and the refrigeration association are engaged in the planning and implementation of all Multilateral Fund projects. The Executive Committee acknowledged the efforts of the Government of Palau in complying with the initial obligations of the Kigali Amendment by putting in place a licensing system for HFCs, and in continued promoting gender-equality in all Multilateral Funded projects. The Committee is, therefore, confident that the Government of Palau will continue implementing activities both at the policy and project levels to meet the future targets of the Montreal Protocol.

Philippines

26. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase XIII) for the Philippines and noted that the Philippines reported 2019 and 2020 country programme implementation data to the Fund Secretariat, and 2019 data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted with appreciation that the Government of the Philippines enforces an HCFC import/export licensing system and that the internal process for the ratification of the Kigali Amendment is in progress. The Executive Committee is, therefore, confident that the Government of the Philippines will continue implementing activities both at the policy and project levels to enable the country to meet the Montreal Protocol targets, and that the Philippines will soon ratify the Kigali Amendment.

Republic of Moldova

27. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase XI) for the Republic of Moldova and noted with appreciation that the Republic of Moldova submitted 2018 and 2019 data under Article 7 of the Montreal Protocol to the Ozone Secretariat and 2018, 2019 and 2020 country programme data to the Fund Secretariat, indicating that the country is in compliance

with the Montreal Protocol. The Executive Committee also acknowledged the efforts of the Government of the Republic of Moldova in engaging all stakeholders in phase-out activities and implementing stage II of the HCFC phase-out management plan in a coordinated manner despite the changes in the Montreal Protocol Unit staffing. The Committee is, therefore, confident that in the next two years, the Government of the Republic of Moldova will continue its activities both at the policy and project levels to enable the country to achieve the 67.5 per cent reduction in HCFC consumption by 1 January 2025 and to progress towards the ratification of the Kigali Amendment and the subsequent preparation of HFC phase-down projects.

Rwanda

28. The Executive Committee reviewed the request for the renewal of the institutional strengthening (IS) project (phase IX) for Rwanda and noted with appreciation that Rwanda reported country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee further noted that Rwanda had taken further steps to phase out its consumption of HCFCs, including the enforcement of the quota and licensing system; trained customs and enforcement officers; included HFCs in the licensing system and completed the enabling activities project for HFC phase-down. The Executive Committee acknowledged the efforts of Rwanda and is therefore hopeful that, within the next two years, the country will continue the implementation of stage II of the HCFC phase-out management plan and the IS project to achieve and sustain the 67.5 per cent reduction in HCFC consumption required under the Montreal Protocol by 1 January 2025.

Samoa

29. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase XI) for Samoa and noted with appreciation that Samoa reported HCFC consumption data under Article 7 of the Montreal Protocol to the Ozone Secretariat and country programme implementation reports to the Fund Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Samoa has an operational licensing and quota system, and coordinated with stakeholders in implementing stage I of the HCFC phase-out management plan (HPMP). The Executive Committee acknowledged the efforts of the Government of Samoa in taking the necessary steps to meet the initial obligations of the Kigali Amendment through putting in place controls of HFCs under the existing legislation, in drafting and revising the relevant bill and regulations to strengthen the import monitoring of controlled substances under the Montreal Protocol, and in raising awareness about HCFC phase-out and Kigali Amendment obligations. The Committee is, therefore, hopeful that, in the next two years, the Government of Samoa will implement activities both at the policy and project levels to enable the country to comply with the targets of the Montreal Protocol as well as those established in its HPMP Agreement with the Executive Committee.

Sao Tome and Principe

30. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase VII) for Sao Tome and Principe and noted with appreciation that Sao Tome and Principe reported 2019 and 2020 data under the Article 7 of the Montreal Protocol and the country programme implementation reports to the Ozone and Fund Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Sao Tome and Principe has taken steps to phase out its consumption of HCFCs, in particular, the enforcement of the HCFC licensing and quota system, training of customs officers on illegal trade and data monitoring and refrigeration technicians on good servicing practices and safe handling of flammable alternatives, and meetings with relevant stakeholders. The Executive Committee acknowledged with appreciation that Sao Tome and Principe ratified the Kigali Amendment on 4 October 2019. The Committee is, therefore, hopeful that, within the next two years, the Government of Sao Tome and Principe will continue implementing

activities at both policy and project levels to enable the country to achieve and sustain the compliance with the Montreal Protocol.

Somalia

31. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase V) for Somalia and noted with appreciation that Somalia reported 2019 and 2020 data under country programme implementation reports and 2019 data under Article 7 of the Montreal Protocol to the Multilateral Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee acknowledged with appreciation the ratification of the Kigali Amendment by Somalia on 27 November 2019. The Committee is, therefore, hopeful that Somalia will continue its gradual reduction in HCFC consumption, achieving the 67.5 per cent reduction target of the Montreal Protocol by 1 January 2025 and commence HFC phase-down in accordance with the Kigali Amendment.

Togo

32. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase XI) for Togo and noted with appreciation that Togo reported HCFC import data for 2019 and 2020 under country programme implementation reports and for 2019 under Article 7 of the Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee also noted that the Government of Togo has taken steps to phase out its consumption of HCFCs, in particular the implementation of ODS import controls through a licensing and quota system and training of customs officers and refrigeration technicians. The Executive Committee acknowledged the efforts made by the Government of Togo to reduce HCFC consumption and is, therefore, hopeful that, within the next two years, the Government of Togo will continue implementing activities both at the policy and project levels to enable the country to achieve and sustain the compliance with the Montreal Protocol.

Tonga

33. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase IX) for Tonga and noted with appreciation that Tonga reported 2019 data under Article 7 of the Montreal Protocol to the Ozone Secretariat, and under the country programme implementation report to the Multilateral Fund Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Executive Committee expressed sympathy for the demise of the Principal Ozone Officer and appreciated the efforts made by the Government of Tonga to restructure the national ozone unit in ensuring continuity in the implementation of the Montreal Protocol commitments. The Executive Committee further noted that the Government of Tonga has continued the enforcement of the licensing system for HCFCs and the ban on the import of HCFC-based equipment and the country has phased out its HCFC consumption ahead of its obligations. The Committee is, therefore, confident that the Government of Tonga will continue implementing activities both at the policy and project levels to ensure the long-term sustainability of the targets met under the Montreal Protocol.

Tuvalu

34. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase VIII) for Tuvalu and noted with appreciation that Tuvalu reported 2019 data under Article 7 of the Montreal Protocol to the Ozone Secretariat and 2019 and 2020 data under the country programme implementation report to the Fund Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that the Government of Tuvalu has taken steps to phase out its consumption of HCFCs and is amending the regulations to include mandatory controls for import and export of HFCs. The Committee acknowledged the efforts made by the Government of Tuvalu to continue promoting gender-equality and encouraging female participation in all Multilateral Fund-funded projects.

The Committee is, therefore, hopeful that, in the next two years, the Government of Tuvalu will continue implementing activities both at the policy and project levels to enable the country to meet and sustain the next targets of the Montreal Protocol.

Zambia

35. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase VIII) for Zambia and noted with appreciation that Zambia reported 2019 and 2020 country programme data, and data under Article 7 of the Montreal Protocol to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol. The Committee acknowledged that Zambia continued to implement its HCFC import and export licensing and quota system; carried out training for refrigeration technicians and customs officers; developed and organized public awareness activities. The Executive Committee is, therefore, confident that the Government of Zambia will continue implementing activities to enable the country to comply with the obligations under the Montreal Protocol. The Committee also noted with appreciation the ratification of the Kigali Amendment by Zambia on 15 March 2021 and the steps undertaken to meet the initial obligations under the Amendment.

Zimbabwe

36. The Executive Committee reviewed the request for the renewal of the institutional strengthening project (phase XI) for Zimbabwe and noted with appreciation that Zimbabwe reported 2020 data under Article 7 of the Montreal Protocol to the Ozone Secretariat and under the country programme implementation report to the Fund Secretariat, indicating that the country is in compliance with the Montreal Protocol. The Committee also noted that projects continue to be implemented including enabling activities for HFC phase-down to facilitate ratification of the Kigali Amendment. The Executive Committee is, therefore, confident that Zimbabwe will continue its gradual reduction in HCFC consumption to achieve the 67.5 per cent reduction target required under the Montreal Protocol by 1 January 2025.

Annex XV

AGREEMENT BETWEEN THE GOVERNMENT OF BELIZE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Belize (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche

foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency/agencies (the “Cooperating IA”) under the lead of UNEP in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, and the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the

Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	2.68
HCFC-141b	C	I	0.12
Total			2.80

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1.82	1.82	1.82	0.91	0.91	0.91	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.82	1.74	1.74	0.91	0.91	0.91	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	95,350	0	88,250	0	151,490	0	52,910	388,000
2.2	Support costs for Lead IA (US \$)	12,396	0	11,473	0	19,694	0	6,878	50,441
2.3	Cooperating IA (UNDP) agreed funding (US \$)	73,854	0	58,146	0	0	0	0	132,000
2.4	Support costs for Cooperating IA (US \$)	6,647	0	5,233	0	0	0	0	11,880

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
3.1	Total agreed funding (US \$)	169,204	0	146,396	0	151,490	0	52,910	520,000
3.2	Total support costs (US \$)	19,043	0	16,705	0	19,694	0	6,878	62,321
3.3	Total agreed costs (US \$)	188,247	0	163,101	0	171,184	0	59,788	582,321
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								1.74
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.94
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								0.12
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan.

This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU), which is located within the Department of Environment in the Ministry of Sustainable Development, Climate Change and Disaster Risk Management will be responsible for the day-to-day execution of project activities. In carrying out this function, the NOU will follow the supervision and reporting procedures established by the Ministry. The head of the NOU (the National Ozone Officer) is also a chief environment officer and head of the Department of the Environment and has executive functions, i.e., ensures that the Multilateral Fund's and the Ministry's policies and procedures for project management, including procurement guidelines and reporting requirements, are adhered to.
2. Periodically the Government, in collaboration with the Lead IA, will convene monitoring missions to provide independent verification of project outputs, achievement of targets and financial management.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;

- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XVI

AGREEMENT BETWEEN THE GOVERNMENT OF THE PLURINATIONAL STATE OF BOLIVIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of the Plurinational State of Bolivia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and

- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	4.89
HCFC-124*	C	I	0.07
HCFC-141b	C	I	0.97
HCFC-142b	C	I	0.17
Sub-total			6.10
HCFC-141b contained in imported pre-blended polyols	C	I	0.60
Total			6.70

* Including negligible amounts of HCFC-123 (0.004 ODP tonnes).

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	3.97	3.97	3.97	1.98	1.98	1.98	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	3.97	3.36	3.36	1.98	1.98	0.92	0	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	141,009	0	172,660	0	147,530	0	45,530	506,729
2.2	Support costs for Lead IA (US \$)	9,871	0	12,086	0	10,327	0	3,187	35,471
2.3	Cooperating IA (UNEP) agreed funding (US \$)	24,000	0	32,500	0	9,000	0	15,000	80,500
2.4	Support costs for Cooperating IA (US \$)	3,120	0	4,225	0	1,170	0	1,950	10,465
3.1	Total agreed funding (US \$)	165,009	0	205,160	0	156,530	0	60,530	587,229
3.2	Total support costs (US \$)	12,991	0	16,311	0	11,497	0	5,137	45,936
3.3	Total agreed costs (US \$)	178,000	0	221,471	0	168,027	0	65,667	633,165
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								3.00
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								1.89
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00
4.2.1	Total phase-out of HFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.2.2	Phase-out of HFC-124 to be achieved in the previous stage (ODP tonnes)								0.07
4.2.3	Remaining eligible consumption for HFC-124 (ODP tonnes)								0.00
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0.97
4.3.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								0.00
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.00
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.4.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0.17
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.00
4.5.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)								0.60
4.5.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)								0.00
4.5.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)								0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2021.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the

Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;

- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
 - (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
 - (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Ministry of Environment and Water (MMAyA) is the focal point of the Montreal Protocol in the Country.

2. The activities corresponding to the implementation of the Montreal Protocol are within the Vice Ministry of Environment, Biodiversity, Climate Change, and Forest Management and Development under the responsibility of the Governmental Ozone Commission (CGO).

3. The implementation of all the activities of the components within the Plan is included in the annual plan of the MMAyA and regular monitoring is done by the boards of this institution and its IAs, including:

- (a) Management and co-ordination of the implementation of the Plan;
- (b) Establishment of a policy development and application programme to allow the Government to exercise the required mandates and ensure the industry fulfills the obligations of the ODS consumption reduction;
- (c) Regular monitoring of the local private sector related to HCFC use and its possible substitutes;
- (d) Development and implementation of training, awareness, and capacity building activities to ensure a high-level commitment to the Plan objectives and obligations;
- (e) Preparation of annual implementation plans including the determination of the sequence of participation of the companies in the activities;
- (f) Establishment and operation of a report system on ODS use/substitutes by the users;
- (g) Design and implementation of corrective measures;
- (h) Regular implementation of activities of technical assistance to the project beneficiaries;
- (i) Preparation of annual progress reports, biannual reports on the Plan implementation, and biannual implementation plan for the Executive Committee of the Multilateral Fund, according to the defined format, as well as the preparation of any other report necessary for the adequate operation of the Plan; and
- (j) Establishment and operation of the decentralized mechanism to monitor and evaluate the Plan results, in association with local environmental regulatory entities to ensure sustainability.

4. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IAs taking part in this Agreement.

5. The Government will create strategic alliances with other government bodies, industry associations, and academic institutions, which will allow it to strengthen its strategy and expand its range of action. This may provide access to, for example, training institutions that host the refrigerant phase-out training programmes and provide alternatives for the servicing sector, and the Plurinational State of Bolivia's National Custom Office (Aduana Nacional de Bolivia, or ANB) which organizes, guides, and implements regulations including those related to the substances controlled by the Montreal Protocol. ANB also carries out procedures and inspections to supervise the export and import of ODS and executes the necessary operational measures to prevent smuggling and illegal trade of controlled substances. Together with the CGO, it inspects and verifies substances and equipment controlled by the Montreal Protocol. When required by the CGO, ANB prepares reports that serve as input to the reports that the Country must submit as a requirement of the Montreal Protocol.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;
 - (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and Cooperating IA;
 - (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (m) Providing assistance with policy, management, and technical support when required;
 - (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
 - (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XVII

AGREEMENT BETWEEN THE GOVERNMENT OF BOSNIA AND HERZEGOVINA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Bosnia and Herzegovina (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2026 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, and 4.3.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche

foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	3.2
HCFC-141b	C	I	1.5
Sub-total			4.7
HCFC-141b contained in imported pre-blended polyols	C	I	3.47
Total			8.17

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022	2023	2024	2025	2026	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	3.06	3.06	3.06	3.06	1.53	1.53	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.18	1.18	0.94	0.94	0.47	0	n/a	
2.1	Lead IA (UNIDO) agreed funding (US \$)	126,140	0	297,794	0	0	50,000	473,934	
2.2	Support costs for Lead IA (US \$)	8,830	0	20,846	0	0	3,500	33,176	
3.1	Total agreed funding (US \$)	126,140	0	297,794	0	0	50,000	473,934	
3.2	Total support costs (US \$)	8,830	0	20,846	0	0	3,500	33,176	
3.3	Total agreed costs (US \$)	134,970	0	318,640	0	0	53,500	507,110	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								1.59
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								1.61
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								1.50

Row	Particulars	2021	2022	2023	2024	2025	2026	Total
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							0
4.3.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)							0
4.3.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)							3.47
4.3.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)							0

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

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), located within the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, is responsible for the co-ordination of the Country's overall actions and activities related to the protection of the ozone layer, overall supervision of the implementation of the Montreal Protocol, and facilitation of the HPMP implementation. Implementation of the planned project activities in the Plan will be co-ordinated by the NOU in cooperation with the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;

- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XVIII

AGREEMENT BETWEEN THE GOVERNMENT OF EL SALVADOR AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of El Salvador (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, 4.5.3, and 4.6.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche

foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the

Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	8.15
HCFC-123	C	I	0.05
HCFC-124	C	I	0.11
HCFC-141b	C	I	3.34
HCFC-142b	C	I	0.03
Total			11.68
HCFC-141b contained in imported pre-blended polyols	C	I	4.94

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	7.59	7.59	7.59	3.80	3.80	3.80	3.80	3.80	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	5.42	3.44	3.44	2.88	2.32	2.32	0.29	0.29	0	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	169,000	0	244,255	0	124,745	0	0	65,000	0	603,000

Row	Particulars	2021	2022-2023	2024	2025	2026	2027	2028	2029	2030	Total
2.2	Support costs for Lead IA (US \$)	11,830	0	17,098	0	8,732	0	0	4,550	0	42,210
2.3	Cooperating IA (UNEP) agreed funding (US \$)	26,000	0	17,000	0	4,000	0	0	0	0	47,000
2.4	Support costs for Cooperating IA (US \$)	3,380	0	2,210	0	520	0	0	0	0	6,110
3.1	Total agreed funding (US \$)	195,000	0	261,255	0	128,745	0	0	65,000	0	650,000
3.2	Total support costs (US \$)	15,210	0	19,308	0	9,252	0	0	4,550	0	48,320
3.3	Total agreed costs (US \$)	210,210	0	280,563	0	137,997	0	0	69,550	0	698,320
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										7.59
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)										0.56
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.2.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)										0.05
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)										0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.3.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)										0.11
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)										0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.4.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)										3.34
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.5.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)										0.03
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)										0.00
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)										4.94
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)										0

*Date of completion of stage I as per stage I Agreement: 31 December 2021

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds

during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;

- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The entity responsible for the implementation of the Montreal Protocol in El Salvador is the Ministry of Environment and Natural Resources, through the National Ozone Unit (NOU).

2. The responsibilities of the NOU are to design and propose all the policy measures, including amendments to the current regulations, coordinate with stakeholders, institutions and relevant sectors involved in the implementation of the Protocol, follow up on all the programmes and projects and to prepare reports for the Ministry and Secretariat.

3. The Project Management Unit will assist the NOU in the following activities:

- (a) Follow-up on the activities described in each of the projects, including training courses, seminars, workshops and presentations;

- (b) Monitoring the purchase of equipment, materials, and tools and contracts for services to ensure alignment with the projects and compliance with the rules and regulations of the agencies participating in the Plan;
- (c) Assisting in the reporting on the activities of the projects, taking into account the schedules defined in each component, and supporting the NOU to solve any deviations and to finalize all the activities;
- (d) Supporting the NOU to define and select the beneficiaries, always as a supporting activity;
- (e) Supporting the NOU in the data collection to prepare the required reports to the Secretariat for the tranche requests, and to the Lead IA and/or Cooperating IA;
- (f) Monitoring and promoting, when necessary, the actions to comply with the gender mainstreaming policy; and
- (g) Any other monitoring and evaluation activity requested by the NOU.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;
 - (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;

- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that

lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XIX

AGREEMENT BETWEEN THE GOVERNMENT OF GHANA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Ghana (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and

- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	42.6
HCFC-142b	C	I	14.7
Total			57.3

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	37.21	37.21	37.21	37.21	18.61	18.61	18.61	18.61	18.61	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	20.00	16.98	15.00	15.00	12.00	8.50	8.50	8.50	5.00	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	459,820	0	0	236,545	0	0	350,580	0	0	113,025	1,159,970
2.2	Support costs for Lead IA (US \$)	32,187	0	0	16,558	0	0	24,541	0	0	7,912	81,198
2.3	Cooperating IA (UNEP) agreed funding (US \$)	112,569	0	0	160,569	0	0	135,569	0	0	50,000	458,707

Row	Particulars	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
2.4	Support costs for Cooperating IA (US \$)	14,634	0	0	20,874	0	0	17,624	0	0	6,500	59,632
3.1	Total agreed funding (US \$)	572,389	0	0	397,114	0	0	486,149	0	0	163,025	1,618,677
3.2	Total support costs (US \$)	46,821	0	0	37,432	0	0	42,165	0	0	14,412	140,830
3.3	Total agreed costs (US \$)	619,210	0	0	434,546	0	0	528,314	0	0	177,437	1,759,507
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											29.41
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)											13.19
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)											0
4.2.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)											1.62
4.2.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)											13.08
4.2.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)											0

*Date of completion of stage I as per stage I Agreement: 30 June 2022.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and

progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring process will be managed by the Environmental Protection Agency of Ghana through the national ozone unit (NOU) with the assistance of the Lead IA.
2. The consumption will be monitored and reported based on official import and export data for the Substances recorded by relevant government departments.
3. The NOU shall compile and report the following data and information on an annual basis:
 - (a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and
 - (b) Annual reports on progress of implementation of the HPMP to be submitted to the Executive Committee of the Multilateral Fund;
4. The Lead IA will engage an independent and qualified entity/consultant to carry out a qualitative and quantitative performance evaluation of the HPMP implementation including the independent verification of the national consumption against the targets set out in the Agreement. The evaluating entity/consultant shall have full access to relevant technical and financial information related to the implementation of the HPMP.
5. The evaluating entity/consultant shall prepare and submit to the NOU and the Lead IA, a consolidated draft report at the end of each annual implementation plan, comprising the findings of the evaluation and recommendations for improvements or adjustments, if any. The draft report shall include the status of the Country's compliance with the provisions of this Agreement.
6. Upon incorporating the comments and explanations, as may be applicable, from the NOU and Lead IA, the evaluating entity/consultant shall finalize the report and submit it to the Lead IA.

7. The Lead IA shall submit the progress report including the independent verification report to the relevant meeting of the Executive Committee along with the annual implementation plan and reports.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;
 - (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
 - (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (m) Providing assistance with policy, management and technical support when required;

- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$190.62 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XX

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF IRAQ AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of the Republic of Iraq (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 33.60 ODP tonnes by 1 January 2025 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche

foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The role of the Lead IA and Cooperating IA is contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the

Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	108.38

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022	2023	2024	2025	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	70.46	70.46	70.46	70.46	35.23	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	66.40	66.40	66.40	66.40	33.60	n/a	
2.1	Lead IA (UNEP) agreed funding (US \$)	335,000	585,000	655,000	0	265,000	1,840,000	
2.2	Support costs for Lead IA (US \$)	38,671	67,529	75,610	0	30,590	212,400	
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	25,000	320,000	355,000	0	210,000	910,000	
2.4	Support costs for Cooperating IA (US \$)	1,750	22,400	24,850	0	14,700	63,700	
3.1	Total agreed funding (US \$)	360,000	905,000	1,010,000	0	475,000	2,750,000	
3.2	Total support costs (US \$)	40,421	89,929	100,460	0	45,290	276,100	
3.3	Total agreed costs (US \$)	400,421	994,929	1,110,460	0	520,290	3,026,100	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							32.79
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							**41.99

Row	Particulars	2021	2022	2023	2024	2025	Total
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						33.60

* Date of completion of stage I as per stage I Agreement: 31 December 2021.

**Includes 14.98 ODP tonnes funded under stage I, and 27.01 ODP tonnes phased out by the Government of Iraq without Multilateral Fund assistance.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and

- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Center (NOC) is an integral part of the Ministry of Health and Environment under the direct responsibility of the Deputy Minister for Environmental Affairs and will be responsible for implementing, coordinating, monitoring and reporting progress on the activities under the HPMP, including developing policy measures, conducting training programmes, providing technical assistance, and awareness-raising activities.
2. Based on the experience and lessons learnt from the implementation of stage I, and taking into consideration the complex nature of the HPMP in the Iraqi context that requires interdepartmental support, close tracking and continuous monitoring of activities, as well as broad and sustained awareness and support of the civil society, the coordination and management of the Plan will be supported by a multidisciplinary, interdepartmental committee.
3. Under direct supervision of the NOC, a project management unit (PMU) will be established to provide support to the NOC and to the independent verifier in the verification process (e.g., meetings with relevant stakeholders, data collection coordination, and input on review findings).
4. The PMU coordinator will be responsible for the direct management of the PMU. He takes the role of coordinating non-Governmental stakeholders as well as the Government departments for the implementation of HPMP activities.
5. While the main responsibility for data gathering, analysis and reporting remains with the NOC, in some cases the PMU participates in collecting and analyzing consumption data pertaining to the controlled substances associated with HPMP implementation.
6. Verification and reporting: based on discussion with the Country, the Lead IA should mandate an independent organization to carry out the annual verification of the Plan results and the consumption of the Substances mentioned in Appendix 1-A and this independent monitoring programme.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;

- (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.]

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$167.75 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXI

AGREEMENT BETWEEN THE GOVERNMENT OF LESOTHO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Lesotho (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030, in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and

- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The Government of Germany has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.54

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	2.28	2.28	2.28	1.14	1.14	1.14	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.00	1.00	1.00	0.50	0.50	0.50	0.00	n/a
2.1	Lead IA (Germany) agreed funding (US \$)	168,900	0	162,400	0	91,200	0	47,500	470,000
2.2	Support costs for Lead IA (US \$)	21,957	0	21,112	0	11,856	0	6,175	61,100
3.1	Total agreed funding (US \$)	168,900	0	162,400	0	91,200	0	47,500	470,000

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
3.2	Total support costs (US \$)	21,957	0	21,112	0	11,856	0	6,175	61,100
3.3	Total agreed costs (US \$)	190,857	0	183,512	0	103,056	0	53,675	531,100
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								1.00
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.54
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

*Date of completion of stage I as per stage I Agreement: 31 December 2021.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan.

This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring of the project activities and its compliance obligations will be carried out jointly by the national ozone unit (NOU) of the Country and the Lead IA as was the case under stage I. The NOU takes the responsibility of monitoring the activity implementation on the ground. The NOU is also tasked with ensuring that there is regular and continuous dialogue with the stakeholders to ensure that the activities are being conducted in line with the needs of the specific stakeholders expected to benefit from the activity and ensuring that the phase-out obligations can therefore be met.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;

- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXII

AGREEMENT BETWEEN THE GOVERNMENT OF PARAGUAY AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Paraguay (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 , 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche

foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees; in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the

Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	15.95
HCFC-123	C	I	0.20
HCFC-124	C	I	0.15
HCFC-141b	C	I	*1.41
HCFC-142b	C	I	1.60
Total			19.31

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

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	11.67	11.67	11.67	5.83	5.83	5.83	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	11.67	11.67	11.67	5.83	5.83	5.83	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	109,055	0	153,382	0	143,703	0	77,150	483,290
2.2	Support costs for Lead IA (US \$)	14,177	0	19,940	0	18,681	0	10,030	62,828
2.3	Cooperating IA (UNDP) agreed funding (US \$)	101,545	0	281,077	0	264,238	0	39,850	686,710
2.4	Support costs for Cooperating IA (US \$)	7,108	0	19,675	0	18,497	0	2,790	48,070
3.1	Total agreed funding (US \$)	210,600	0	434,459	0	407,941	0	117,000	1,170,000
3.2	Total support costs (US \$)	21,285	0	39,615	0	37,178	0	12,819	110,897
3.3	Total agreed costs (US \$)	231,885	0	474,074	0	445,119	0	129,819	1,280,897
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								10.63
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								5.32
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)								0.20
4.2.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)								0.00
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0.10
4.3.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)								0.05
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0.96
4.4.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)								0.45
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								1.14
4.5.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)								0.46
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.00

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

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target

will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The entity responsible for the implementation of the Montreal Protocol in Paraguay is the Ministry of Environment and Natural Resources, through the National Ozone Unit (NOU).
2. The responsibilities of the NOU are to design and propose all the policy measures, including adjustments to the current regulations, coordination with other stakeholders, institutions and relevant sectors involved in the implementation of the Protocol; to follow up on all the programmes and projects, and to prepare reports to the Ministry and the Secretariat of the Multilateral Fund and the Ozone Secretariat.
3. The PMU will assist the NOU in the following activities:
 - (a) Follow up on the activities described in each of the projects, including training courses, seminars, workshops and presentations;
 - (b) Monitor the purchase of equipment, materials, tools and also contracts for services to be in line with each of the projects and complying with the rules and regulations of the agencies participating in stage II of the HPMP;
 - (c) Assist in the reporting on the activities of the projects, taking into account the schedules defined in each component, and support the NOU in solving any deviations and in timely finalizing all the activities;
 - (d) Support the NOU in defining and selecting the beneficiaries, always as a supporting activity;
 - (e) Support the NOU in gathering data for the tranche request reports required by the Fund Secretariat, and the implementing agencies;
 - (f) Monitor and promote, when necessary, the actions to comply with the gender equality; and
 - (g) Any other monitoring and evaluation activity requested by the NOU.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;

- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;

- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXIII

AGREEMENT BETWEEN THE GOVERNMENT OF SAINT LUCIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Saint Lucia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche

foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the

Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.09

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.71	0.71	0.71	0.35	0.35	0.35	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.71	0.53	0.53	0.35	0.35	0.35	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	81,000	0	105,000	0	78,000	0	54,000	318,000
2.2	Support costs for Lead IA (US \$)	10,530	0	13,650	0	10,140	0	7,020	41,340
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	83,000	0	139,000	0	0	0	0	222,000
2.4	Support costs for Cooperating IA (US \$)	7,470	0	12,510	0	0	0	0	19,980
3.1	Total agreed funding (US \$)	164,000	0	244,000	0	78,000	0	54,000	540,000
3.2	Total support costs (US \$)	18,000	0	26,160	0	10,140	0	7,020	61,320

Row	Particulars	2021	2022-2023	2024	2025-2026	2027	2028-2029	2030	Total
3.3	Total agreed costs (US \$)	182,000	0	270,160	0	88,140	0	61,020	601,320
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								0.71
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.38
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

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

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and

- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
 - (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU) will be responsible for the day-to-day execution of all components of the project, including oversight of the monitoring, evaluation and reporting consultant. It will be supported by the administration of the Ministry of Education, Innovation, Gender Relations and Sustainable Development who will manage the budget and exercise oversight of the procurement process.
2. A monitoring, evaluation and reporting consultant will be contracted upon project launch to work closely with the NOU and the Montreal Protocol Technical Working Group to plan for the execution of each component and for the day-to-day execution of all activities approved under the Plan. He/she will monitor all project activities, generate periodic monitoring and evaluation reports on project activities, targets achieved, adjustments, and remedial actions to be taken, if necessary, to ensure that targets are met. This consultant will help develop the activity roll-out plans and support efforts to ensure adherence to it. This will be both supportive of, and complementary to the work of the NOU to the extent that while the consultant will support the execution of specific activities under the Plan, he/she will also be providing oversight, assess adherence to timelines and deliverables, assess impacts of activities and recommend remedial measures when considered necessary. The consultant will also be responsible for generating progress, and financial reports as well as the close-out report for each of the tranches under stage II. These activities will be conducted in collaboration with the NOU and the Montreal Protocol Technical Working Group as well as with the implementing agencies.
3. In its capacity as the Lead IA, UNEP will be responsible for ensuring that periodic progress and financial reports are generated, monitor progress with the tranches and disburse funds in accordance with the Agreement to be entered into between the Government of Saint Lucia and the Executive Committee on the one hand, as well as the Agreement to be entered into between it and the Government of Saint Lucia.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche

Implementation Plan consistent with Appendix 4-A;

- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;

- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXIV

AGREEMENT BETWEEN THE GOVERNMENT OF SIERRA LEONE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Sierra Leone (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and

- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.67

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022	2023	2024	2025	2026	2027-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1.10	1.10	1.10	1.10	0.55	0.55	0.55	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.56	0.56	0.56	0.56	0.26	0.26	0.26	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	135,000	0	90,000	0	0	70,000	0	58,000	353,000

Row	Particulars	2021	2022	2023	2024	2025	2026	2027-2029	2030	Total
2.2	Support costs for Lead IA (US \$)	17,550	0	11,700	0	0	9,100	0	7,540	45,890
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	117,000	0	70,000	0	0	0	0	0	187,000
2.4	Support costs for Cooperating IA (US \$)	10,530	0	6,300	0	0	0	0	0	16,830
3.1	Total agreed funding (US \$)	252,000	0	160,000	0	0	70,000	0	58,000	540,000
3.2	Total support costs (US \$)	28,080	0	18,000	0	0	9,100	0	7,540	62,720
3.3	Total agreed costs (US \$)	280,080	0	178,000	0	0	79,100	0	65,540	602,720
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									1.09
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									0.58
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0

*Date of completion of stage I as per stage I Agreement: 31 December 2021.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
 - (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the national ozone unit (NOU), which is included within the Plan. The NOU will submit annual progress reports on the status of implementation of the Plan to the Lead IA. The monitoring programme will therefore ensure effectiveness of all the proposed projects within the Plan through constant monitoring and periodic review of the performance of individual project. Independent verification will be conducted by an independent consultant arranged by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;

- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA:
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;

- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXV

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of the United Republic of Tanzania (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and

- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.70

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2024	2025	2026	2027-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1.11	1.11	0.55	0.55	0.55	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.11	1.11	0.55	0.55	0.55	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	172,500	0	0	122,500	0	75,000	370,000
2.2	Support costs for Lead IA (US \$)	22,425	0	0	15,925	0	9,750	48,100
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	100,000	0	0	70,000	0	0	170,000

Row	Particulars	2021	2022-2024	2025	2026	2027-2029	2030	Total
2.4	Support costs for Cooperating IA (US \$)	9,000	0	0	6,300	0	0	15,300
3.1	Total agreed funding (US \$)	272,500	0	0	192,500	0	75,000	540,000
3.2	Total support costs (US \$)	31,425	0	0	22,225	0	9,750	63,400
3.3	Total agreed costs (US \$)	303,925	0	0	214,725	0	84,750	603,400
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							1.11
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							0.59
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.00

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

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen.

The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Division of Environment – Vice President’s Office will guide implementation of the project. The national ozone unit will be monitoring the implementation of the project activities and will prepare a quarterly progress report for the project. The monitoring programme will therefore ensure effectiveness of all the proposed projects within the Plan through constant monitoring and periodic review of the performance of individual project. Independent verification will be conducted by an independent consultant arranged by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country’s HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;

- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.
2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXVI

AGREEMENT BETWEEN THE GOVERNMENT OF MEXICO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE DESTRUCTION OF EMISSIONS OF HFC-23 GENERATED IN THE PRODUCTION OF HCFC-22 IN QUIMOBÁSICOS

Purpose

1. This Agreement represents the understanding of the Government of Mexico (the “Country”) and the Executive Committee to ensure that by 1 January 2022 and thereafter, emissions of Annex F, Group II substance (“HFC-23”) generated in each HCFC-22 production line at Quimobásicos were destroyed in compliance with the Montreal Protocol.
2. The Country agrees to meet the annual emission limits of up to a maximum of 0.1 kilogramme of HFC-23 per 100 kilogrammes of HCFC-22 produced by 1 January 2022, until the completion of the project on 1 January 2031, as set out in row 1.1 of Appendix 1-A (“The Targets, and Funding”), and commits that annual emissions will continue to be controlled and verified in the same manner after the completion of the project, including by means of policies and legislation.

Funding

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 2.1 of Appendix 1-A to the Country following any reductions as specified in paragraph 6. The Executive Committee will, in principle, provide this funding at the first Executive Committee meeting of the years specified in Appendix 1-A.
4. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3:
 - (a) The Country is precluded from applying for or receiving further funding from the Multilateral Fund in respect to the control of emissions of Annex F, Group II, substances generated in each production facility that manufactures Annex C, Group I, or Annex F substances;
 - (b) In accordance with sub-paragraph 7(b), the Country will accept independent verification of the achievement of the annual emission control limits of HFC-23 as set out in row 1.1 of Appendix 1-A. The aforementioned verification will be commissioned by the Lead implementing agency;
 - (c) The cost for the destruction of every kilogramme of HFC-23 by-product above the maximum allowable kilogrammes eligible for funding of 913,876 kilogrammes under this Agreement, throughout the duration of the project, will be covered by Quimobásicos, under the supervision of the Country;
 - (d) A maximum amount of US \$2,995,047, out of the total funding specified in Appendix 1-A, was associated with incremental operating costs (IOCs) and would be divided into annual tranches to be provided to the Country upon verification of the quantity of HFC-23 by-product destroyed;
 - (e) Quimobásicos would suspend production of HCFC-22 for up to two weeks to allow for the repair of the plasma-arc destruction unit;

- (f) Any remaining funds held by the Lead implementing agency or the Country will be returned to the Multilateral Fund upon financial completion of the last tranche under this Agreement; and
- (g) There will be no additional funding from other sources outside the Multilateral Fund, including HFC-23 credits or offsets, for the control of HFC-23 by-product emissions from the HCFC-22 production lines concerned, during or after completion of the project.

5. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decisions that may affect the funding provided by the Multilateral Fund of any other projects or any other related activities in the Country.

6. The Country accepts that the funding specified in row 2.1 of Appendix 1-A in 2023 and in any given year thereafter will be reduced according to the following table:

	$x_{w,i} \geq 1.57\%$	$x_{w,i} < 1.57\%$
$P_{HCFC-22,i} \leq 6,454$	$IOC_{max,i} - \min(1000 \times P_{HCFC-22,i} \times 0.0157, D_{HFC-23,i}) \times 3.28$	$IOC_{max,i} - \max(1000 \times P_{HCFC-22,i} \times 0.0157, D_{HFC-23,i}) \times 3.28$
$P_{HCFC-22,i} > 6,454$	$IOC_{max,i} - \min(1000 \times 6,454 \times 0.0157, D_{HFC-23,i}) \times 3.28$	0

Where:

$P_{HCFC-22,i}$ = production of HCFC-22 in year i (mt)

$Q_{HFC-23,i}$ = quantity of HFC-23 by-product generated in year i (kg)

$D_{HFC-23,i}$ = quantity of HFC-23 by-product destroyed in year i (kg)

$x_{w,i} = \frac{Q_{HFC-23,i}}{P_{HCFC-22,i}}$ (%)

$IOC_{max,i}$ = the agreed maximum IOCs in year $i = 6,454 \times 0.0157 \times 3.28 \times 1,000 = \text{US } \$332,355$

6 bis. Notwithstanding paragraph 6, any reductions in the funding specified in row 2.1 of Appendix 1-A in 2023 and thereafter due to an increase in the $x_{w,i}$ that were due to circumstances beyond the control of Quimobásicos would be considered by the Executive Committee on a case-by-case basis, taking into consideration the information contained in the tranche request as described in Appendix 2-A.

6 ter. If in any given year production of HCFC-22 at Quimobásicos were to fall below 6,454 mt, the Country could request funding above that specified in Appendix 1-A for a subsequent year to destroy HFC-23 by-product generated from production of HCFC-22 above 6,454 mt in that year, in line with decision 86/96(b)(iv), on the understanding that any such requests would be submitted for individual consideration by the Executive Committee, and as long as the following conditions are met, subject to the circumstances described in paragraph 6 bis:

- (a) The request is prior to the date of completion of the Agreement;
- (b) x_w in that year is less than or equal to 1.57 per cent; and
- (c) The total quantity of HFC-23 by-product for which funding is requested for destruction through the completion of the Agreement was equal to or less than 913,876 kilogrammes.

Conditions for funding release

7. The Executive Committee will only provide the Funding when the Country satisfies the following conditions at least 10 weeks in advance of the first Executive Committee meeting of the years specified in Appendix 1-A:

- (a) That the Country has emitted up to a maximum of 0.1 kilogramme of HFC-23 per 100 kilogrammes of HCFC-22 produced for all relevant years. Relevant years are all years since the year in which this Agreement was approved except for 2021;
- (b) That the meeting of the Targets referred to in sub-paragraph (a) has been independently verified for all relevant years, by a verifier who will be commissioned by the Lead implementing agency;
- (c) That the Country has submitted a Tranche Implementation Report in the form of Appendix 2-A (“Format of Tranche Implementation Reports and Plans”) for all the activities required for the destruction of HFC-23 by-product from the HCFC-22 production lines concerned, and that it has achieved a significant level of implementation of activities initiated with previously approved tranches; and
- (d) That the Country has submitted a Tranche Implementation Plan in the form of Appendix 2-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Flexibility in the reallocation of funds

8. The Country agrees to document in advance either in a Tranche Implementation Plan, or as a revision to an existing Tranche Implementation Plan to be submitted at least 10 weeks in advance to any meeting of the Executive Committee, for its approval:

- (a) Reallocations categorized as major changes related to *inter alia*:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated for the different tranches;
 - (iv) Provision of funding for activities not included in the current approved Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 20 per cent of the total cost of the last approved tranche; and
 - (v) Using a different technology for the destruction of HFC-23 by-product that has already been selected in the project proposal, on the understanding that any submission for such a request would identify the associated incremental costs, confirmation that the annual emission limits of up to a maximum of 0.1 kilogramme of HFC-23 per 100 kilogrammes of HCFC-22 produced will be maintained, and that potential savings related to the change of technology will decrease the overall funding level under this Agreement; and

- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report.

Flexibility in the date of commencement of destruction of HFC-23

9. Notwithstanding paragraphs 1 and 2, and due to the extraordinary circumstances brought about by the COVID-19 pandemic, the Country will have flexibility to commence destruction of HFC-23 by 1 May 2022, on the understanding that:

- (a) The funding for the 2023 tranche will be reduced by US \$3.28 for every kilogramme of HFC-23 that was not destroyed between 1 January 2022 and 1 May 2022; and
- (b) The Country would be exempt from any penalty for emissions of HFC-23 generated in the production of HCFC-22 between 1 January 2022 and 1 May 2022.

Lead implementing agency

10. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the Lead implementing agency (the “Lead IA”). The role of the Lead IA is contained in Appendix 4-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in rows 2.1 of Appendix 1-A.

Monitoring

11. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 3-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix. This monitoring will also be subject to independent verification as described in sub-paragraph 7(b) above.

12. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

Non-compliance with the Agreement

13. Should the Country, for any reason, not meet the Targets for the destruction of HFC-23 generated in the production of HCFC-22 set out in row 1.1 of Appendix 1-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Targets, and Funding. At the discretion of the Executive Committee, funding will be reinstated according to a revised schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Targets, and Funding. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 5-A (“Reductions in Funding for Failure to Comply”) in respect of each kilogramme emitted of HFC-23 generated in the production of HCFC-22 beyond the target specified in row 1.1 in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 7 above.

14. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

15. This Agreement will be concluded on 1 January 2031. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities upon approval by the Executive Committee. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(c), and 1(d) of Appendix 2-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

16. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. Except “production”, all terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein. “Production” in this Agreement means the total amount of HCFC-22 produced for all uses, including controlled and feedstock uses, and irrespective of any subsequent destruction, recycling and reuse of that HCFC-22.

17. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee.

APPENDICES

APPENDIX 1-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Maximum allowable emissions of Annex F, Group II substances per 100 kg of Annex C, Group I substances produced (kg)	n/a	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)*	483,058	-	492,160	374,381	473,131	433,131	414,381	374,381	414,381	374,380	3,833,384
2.2	Support costs for Lead IA (US \$)	33,814	-	34,451	26,207	33,119	30,319	29,007	26,207	29,007	26,206	268,337
3.1	Total agreed funding (US \$)	483,058	-	492,160	374,381	473,131	433,131	414,381	374,381	414,381	374,380	3,833,384
3.2	Total support costs (US \$)	33,814	-	34,451	26,207	33,119	30,319	29,007	26,207	29,007	26,206	268,337
3.3	Total agreed costs (US \$)	516,872	-	526,611	400,588	506,250	463,450	443,388	400,588	443,388	400,586	4,101,721

* The agreed funding in any given year will be reduced in line with paragraph 6 of this Agreement.

APPENDIX 2-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of the following parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to destruction of HFC-23 by-product from the production lines of HCFC-22 concerned. The report should include *inter alia* the amounts of HCFC-22 produced, the amounts of HFC-23 by-product generated in the production lines concerned, and the amounts of HFC-23 that were destroyed, stored, sold, and/or vented, and the destruction technology used, to allow the Secretariat to assess the results achieved in terms of amounts of HFC-23 that had been destroyed and emitted. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, or other changes;
- (b) An independent verification report providing *inter alia* the amounts of HCFC-22 produced, the amounts of HFC-23 by-product generated, and the amounts of HFC-23 that were destroyed, stored, sold, and/or vented, provided together with each tranche request;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year; and
- (d) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(c).

APPENDIX 3-A: MONITORING INSTITUTIONS AND ROLES

1. The Ministry of the Environment and Natural Resources (SEMARNAT) is in charge of the protection, restoration and conservation of all ecosystems, natural resources and environmental services in order to promote a sustainable development. It is also responsible for carrying out national policies regarding climate change and ozone layer protection. The National Ozone Unit (under SEMARNAT) monitors the production of HCFC-22 and emissions of HFC-23 generated during that production through regional teams. Inspections at HCFC-22 production lines are foreseen to ensure that control of HFC-23 continues after project completion.

2. The Country has offered and intends to offer continuity of activities and endorsement for the project over subsequent years as specified in the institutional support component and the list of activities of the institutional strengthening project. This will guarantee the success of any activity approved for Mexico.

3. Close monitoring of all activities and coordination between stakeholders is key to reach compliance. There will be regular coordination meetings with industry stakeholders, Government stakeholders (i.e., Ministries of Economy, Energy and Health), various industrial associations, and all sectors involved, in order to enact the necessary agreements and measures to carry out the investment and non-investment activities on time and in a coordinated manner. The implementation process and the achievement of the required destruction of HFC-23 will be monitored through site visits at enterprise level.

4. Yearly monitoring will be carried out. Verification site visits will be undertaken by independent international experts.

APPENDIX 4-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 2-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 2-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(a) and 1(c) of Appendix 2-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 2-A for submission to the Executive Committee;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (i) In case of reductions in funding for failure to comply in accordance with paragraph 13, to determine, in consultation with the Country, the allocation of the reductions to the different budget items;
 - (j) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (k) Providing assistance with policy, management and technical support when required; and
 - (l) Timely releasing funds to the Country/participating enterprise for completing the activities related to the project.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the destruction of HFC-23 generated in each HCFC-22 production line as per sub-paragraph 7(b) and sub-paragraph 1(b) of Appendix 2-A.

APPENDIX 5-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 13, the amount of funding provided may be reduced by US \$8.39 per kilogramme of emission of HFC-23 generated in each HCFC-22 production line beyond the level defined in row 1.1 of Appendix 1-A for each year in which the target specified in row 1.1 of Appendix 1-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

Annex XXVII

AGREEMENT BETWEEN THE GOVERNMENT OF CHINA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN PRODUCTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HYDROCHLOROFLUOROCARBON PRODUCTION SECTOR PHASE-OUT MANAGEMENT PLAN

1. This Agreement represents the understanding of the Government of China (the “Country”) and the Executive Committee with respect to the total phase-out of production of the hydrochlorofluorocarbons (HCFCs) for controlled uses, as set out in Appendix 1-A (“The Substances”), and the reduction in production of The Substances to a sustainable level of 8,292 ODP tonnes by 1 January 2026 in compliance with the Montreal Protocol schedule.

Framework agreement for total phase-out

2. The total compensation for the entire China HCFC production sector for phasing out HCFC production for controlled uses in accordance with the Montreal Protocol phase-out schedule shall not exceed US \$385 million, inclusive of all project costs, excluding agency support costs, with the allocation of payments beyond Stage II to be addressed in future stages.

3. The total amount of phase-out to be achieved under the HPPMP is 445,888 metric tonnes (mt), based on the verified 2010 ODS production data of: 310,000 mt of HCFC-22, 98,711 mt of HCFC-141b, 33,957 mt of HCFC-142b, 2,819 mt of HCFC-123 and 401 mt of HCFC-124.

4. Appendix 1-A to this Agreement establishes a starting point for aggregate reduction in HCFC production eligible for funding of 30,180 ODP tonnes (445,888 mt).

5. The Country agrees that funding for Stage II and beyond should be used to prioritize total permanent closure and dismantling of production lines.

6. The Country agrees:

- (a) To retire an additional 24 per cent of the production capacity that was established as of 2010 beyond the total tonnage of 445,888 mt as mentioned in paragraph 3 above (i.e., 552,901 mt) to take into account average utilization of HCFC production capacity;
- (b) That the 552,901 mt includes all production lines based on the list of HCFC production plants, as specified in the addendum to the HPPMP noted by the Executive Committee in its decision 74/55, namely: (i) those lines producing HCFCs solely for controlled uses that will be closed and dismantled; and (ii) other lines producing for both controlled uses and feedstock uses that will be retired as needed to achieve the target in paragraph 6(a); and
- (c) That the capacity closure and retirement strategies would be further defined, monitored and updated in future tranche implementation work plans and progress reports.

7. The Country agrees to ensure that any funds in the possession of the Foreign Environmental Cooperation Center/Ministry of Ecology and Environment (FECO/MEE) will return a reasonable rate of interest, and that any interest will be offset in future tranches with the reporting requirements of FECO/MEE and the World Bank pursuant to decision 70/20(c) on the reporting on disbursement.

8. The Country will not provide funding in Stage II or beyond for the production line which produced chlorofluorocarbons (CFCs) in Zhejiang Juhua Fluoro-chemical Co. Ltd. in 2010.

9. The Country agrees to ensure that any plant does not redirect any phased out HCFC production capacity for which compensation was provided toward feedstock, subject to a penalty to be specified in the Agreement for each stage of the HPPMP.

10. The Country agrees to coordinate with its stakeholders and authorities to make best efforts to manage HCFC production and associated by-product production in HCFC plants in accordance with best practices to minimize associated climate impacts. The budget and activities for such coordination will be included in the tranche implementation work plan and progress report.

11. The Country agrees to optimize the implementation of the HPPMP and its addendum, including associated monitoring and reporting, in order to minimize environmental and climate impacts as much as possible, including by giving priority to HCFC production closure to achieve the HCFC reduction targets set forth in Decision XIX/6 of the Nineteenth Meeting of the Parties to the Montreal Protocol.

12. The penalty is US \$1.10 per kg/year of production in excess of the level required in this Agreement. In addition, the Country agrees that any HCFC production plant that redirects any phased out HCFC production capacity for which compensation was provided to feedstock will be subject to the penalty to be specified in the Agreement of each stage of the HPPMP.

Stage II of the HPPMP

13. Stage II of the HPPMP for the Country is approved in principle at a total funding of US \$67 million to meet the 71.5 per cent reduction of the HCFC production baseline for compliance, inclusive of all project costs, excluding agency support costs, according to the payment schedule as specified in rows 2.1 to 3.3 of Appendix 2-A.

14. Stage II of the HPPMP will result in a sustained level of production of 8,292 ODP tonnes by 2026 (28.5 per cent of the baseline) in compliance with Montreal Protocol schedules.

15. The Country agrees to meet the annual production limits for The Substances set out in row 1.2 (“Maximum Allowable Total Production of Annex C, Group I, the Substances”) of Appendix 2-A (“The Targets, and Funding”) to this Agreement, as well as in the reduction schedule for all substances mentioned in row 1.1 of Appendix 2-A.

16. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A (“The Targets, and Funding”) to the Country at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).

17. The Country accepts that, by its acceptance of this Agreement and fulfilment by the Executive Committee of its funding obligations for stage II described in paragraph 16 above, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any production of each of the substances that exceeds the levels defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 of Appendix 2-A.

18. The Country agrees to implement this Agreement in accordance with stage II of the HPPMP submitted, and as modified by this Agreement with respect to funding levels and other conditions of approval specified in decision 86/99 of the Executive Committee, the addendum to the HPPMP, and the application of the flexibility clause as specified in paragraph 20 below as informed or requested in annual implementation work plans and progress reports. In accordance with sub-paragraph 19(b), the Country will

accept independent verification of the achievement of the annual production limits set out in row 1.2 of Appendix 2-A. The aforementioned verification will be commissioned by the lead implementing agency.

19. The Executive Committee will not provide the funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least twelve weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

- (a) The Country has met the targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years covered by the Agreement including the year in which this Agreement was approved;
- (b) The achievement of these targets has been independently verified and the verification report will be submitted to the Secretariat at least eight weeks in advance to the Secretariat of the relevant Executive Committee meeting, unless the Executive Committee decides that such verification is not required;
- (c) The Country has submitted: annual implementation reports in the format in Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year and confirming that the conditions set out in paragraphs 6 to 12 of this Agreement have been met where applicable; has achieved a significant level of implementation of activities initiated with previously approved tranches; and the rate of disbursement of funding available from the previously approved tranche exceeded 20 per cent; and
- (d) The Country has submitted an annual implementation plan in the format in Appendix 4-A covering each calendar year up to and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

20. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of production and phase-out of The Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance in an annual implementation plan as described in sub-paragraph 19(d) above and approved by the Executive Committee. The documentation can also be provided as part of a revision to an existing annual implementation plan, to be submitted twelve weeks prior to any meeting of the Executive Committee. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Modifications to any clause in this Agreement;
 - (iii) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan involving costs exceeding 30 per cent of the total cost of the previously approved tranche;
 - (iv) Removal of activities in the annual implementation plan involving costs exceeding 30 per cent of the total cost of the previously approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan being implemented at that time, and reported to the Executive Committee in the subsequent annual implementation report; and

- (c) Any funds remaining from Stage II of the HPPMP will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement with the understanding that the funds returned would not be deducted from the maximum level of funding for the overall phase-out.

21. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 19(b) above.

22. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The World Bank has agreed to be the lead and sole implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which may be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA.

23. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 19(b) above. The Executive Committee agrees, in principle, to provide the Lead IA with the agency support costs set out in row 2.2 of Appendix 2-A.

24. Should the Country, for any reason, not meet the targets for the phase-out of The Substances set out in row 1.2 of Appendix 2-A or otherwise not comply with this Agreement, the Country agrees that it will not be entitled to the funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that should have been met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the funding by the amount set out in Appendix 7-A (Reductions in Funding for Failure to Comply for Stage II) in respect of each kilogram of reduction in production not achieved in any one year and, in respect of any redirection of phased-out HCFC production capacity for which compensation was provided to feedstock uses by the HCFC production plant, as indicated in the addendum to the HPPMP. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions have been taken, this specific case will not be an impediment to receiving future tranches, as per paragraph 16 above.

25. Funding under this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other HCFC production sector projects.

26. The Country will comply with any reasonable request of the Executive Committee or the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

27. Stage II of the reduction in production of HCFCs and the associated Agreement will be completed at the end of the year following the last year for which a maximum allowable total production level has been specified in Appendix 2-A. At that time, should there still be outstanding activities foreseen in the Plan and its subsequent revisions as per paragraphs 19(d) and 20 above, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of completion of Stage II, unless otherwise specified by the Executive Committee.

28. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement and the Addendum to the HPPMP. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point (2010) for aggregate reductions in production (ODP tonnes)
HCFC-22	C	I	17,050
HCFC-141b	C	I	10,858
HCFC-142b	C	I	2,207
HCFC-123	C	I	56
HCFC-124	C	I	9
Total			30,180

APPENDIX 2-A: THE TARGETS, AND FUNDING FOR STAGE II OF THE AGREEMENT

Row	Particulars	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	26,210	26,210	18,929	18,929	18,929	18,929	18,929	9,465	9,465	n/a
1.2	Maximum allowable total production of Annex C, Group I substances (ODP tonnes)	22,742	22,742	18,929	18,929	18,929	12,982	12,982	9,465	8,292	n/a
2.1	Lead IA (World Bank) agreed funding (US \$million)	23,000*	0	0	0	22,000	0	22,000	0	0	67,000
2.2	Support costs for Lead IA (US \$million)	1,288*	0	0	0	1,232	0	1,232	0	0	3,752
3.1	Total agreed funding (US \$million)	23,000*	0	0	0	22,000	0	22,000	0	0	67,000
3.2	Total support costs (US \$million)	1,288*	0	0	0	1,232	0	1,232	0	0	3,752
3.3	Total agreed costs (US \$million)	24,288*	0	0	0	23,232	0	23,232	0	0	70,752
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										7,137.36 ¹
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										1,878.91
4.1.3	Remaining eligible production for HCFC-22 (ODP tonnes)										8,033.74
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										7,194.01 ²
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)										3,663.99
4.2.3	Remaining eligible production for HCFC-141b (ODP tonnes)										0.00
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)										1,743.69 ³
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)										245.12
4.3.3	Remaining eligible production for HCFC-142b (ODP tonnes)										218.40
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)										21.62
4.4.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)										0.00
4.4.3	Remaining eligible production for HCFC-123 (ODP tonnes)										34.76
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)										3.32
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)										0.00

¹ Including 85.75 ODP adjustments from EIA capacity and quota reduction for feedstock producers.

² Including adjustments from production rights assigned to HCFC-141b producers.

³ Including adjustments from EIA capacity.

4.5.3	Remaining eligible production for HCFC-124 (ODP tonnes)	5.50
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* The sum of US \$23,000,000, plus agency support costs of US \$1,288,000 for the World Bank was approved at the 81st meeting to reduce HCFC production by 1,188 ODP tonnes as well as for meeting the conditions set out in decision 81/71.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE FOR STAGE II

1. Funding for the 2023-2024 and 2025-2026 work plans will be considered for approval at the last meeting of the Executive Committee in 2022 and 2024, respectively, except for the funding tranche for 2018 which has already been approved (decision 81/71).
2. For only those tranches submitted to and approved at the first meeting of the year, funding will be transferred to the Lead IA in full upon approval of the work plan and not more than 30 per cent of this amount could be released to the Country before the approval by the Executive Committee of the verification report of the previous year's production.
3. A final verification report for Stage II will be submitted in 2027 to verify 2026 production. The last tranche of Stage II will be transferred to the Lead IA in full in 2024 upon approval by the Executive Committee.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS FOR STAGE II

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:
 - (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result of the implementation of activities, by substance, to allow the Secretariat to provide the Executive Committee with information on the resulting change in climate relevant emissions. It will address how the conditions of approval in decision 69/28(e) (paragraphs 4-12 of this Agreement), decision 81/71 and decision 86/99 have been addressed, the actions/activities taken to achieve these conditions and their budgets both in the plan and the progress report. It will identify any redirection of phased-out production capacity for which compensation was provided, as specified in paragraph 3 of the Agreement to production for feedstock use by plant and by plant line where applicable. The report and plan will indicate what capacities are closed and dismantled and the target for the next year. Controlled and feedstock production by plant line, if applicable, should be provided. The report should further highlight successes, experiences, and challenges related to the different activities included in the plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted annual implementation plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 20 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 19(a) of this Agreement and may, in addition, also include information on activities in the current year;
 - (b) A verification report on the results of the HPPMP and the production of the substances listed in Appendix 1-A, as per sub-paragraph 19(b) of this Agreement. Unless otherwise decided by the Executive Committee, such a verification shall be provided together with

each tranche request and, as specified in sub-paragraph 19(a) of this Agreement, will provide verification of production for all relevant years for which a verification report has not yet been noted by the Executive Committee;

- (c) A written description of the activities to be undertaken up to and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experience gained and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 19(d) of this Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities may be submitted as a part of the same document as the narrative report under sub-paragraph (a) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans is to be submitted through an online database; and
- (e) An executive summary of around five paragraphs is to be submitted in order to summarize the information required by sub-paragraphs (a) to (c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES FOR STAGE II

1. The overall monitoring will be the responsibility of the Department of Atmospheric Environment/Ministry of Ecology and Environment and acts as the National Ozone Unit (NOU).

2. The NOU will be responsible for reporting and shall submit, through the relevant authority, the following reports in a timely manner:

- (a) Annual reports on production of each substance set out in row 1.2 of Appendix 2-A for controlled and feedstock uses to be submitted to the Ozone Secretariat;
- (b) Annual reports on progress in implementation of the country programme, to be submitted to the Executive Committee.

3. The Project Management Unit (PMU/FECO), in close coordination with the NOU, will be responsible to monitor the production data provided by HCFC producers; the establishment of new HCFC production lines; sales and consumption of HCFCs as raw materials for production of other chemicals and as controlled use. The PMU/FECO will also monitor the activities implemented to meet the conditions in paragraph 10 of this Agreement and the compliance with environmental regulations related to the dismantling and disposal of production facilities. The PMU will submit project-related reports to the Lead IA, including detailed reports on the activities undertaken by the PMU and the associated expenditures, in line with decision 81/46.

4. The Lead IA will carry out independent annual verifications at all HCFC producers for which tonnage was included in paragraph 3 of the Agreement. Annual HCFC production will be verified by following the Executive Committee's Guidelines and Standard Format for Verification of ODS Production Phase-out and using the Montreal Protocol's definition of production. The verification reports will be submitted to the Executive Committee in accordance with paragraph 19 of this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY FOR STAGE II

1. The Lead IA will be responsible for the overall supervision of the implementation of the stage II of the reduction in production of HCFCs under this Agreement. The Lead IA supervision will include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPPMP and the addendum;
- (b) Assisting the Country in preparation of the implementation plans and subsequent reports as per Appendix 4-A;
- (c) Providing independent verification to the Executive Committee that the targets have been met and associated annual activities have been completed as indicated in the implementation plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans, consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plans, as specified in Appendix 4-A, for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Tracking implementation and use of funds to ensure that they are consistent with all the Lead IA policies and procedures, including safeguard policies, as well as Executive Committee policies and procedures and provisions of this Agreement;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the implementation plan and accurate data reporting;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 1 of this Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the agency support cost of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the results and the production of the substances mentioned in Appendix 1-A, as per sub-paragraph 19(b) of this Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY FOR STAGE II

1. In accordance with paragraphs 12 and 24 of this Agreement, the amount of funding provided may be reduced by US \$1.10 per kg/year of production beyond the level defined in row 1.2 of Appendix 2-A for each year from future funding tranches in which the target specified in row 1.2 of Appendix 2-A has not been met.

2. If any independent annual verification, as stipulated in paragraph 3 of Appendix 5-A to this Agreement, reveals that the phased out HCFC production capacity for which compensation was provided, as specified in paragraph 3 of the Agreement, in any HCFC production plant is redirected to feedstock uses in a given year, the amount of funding may be reduced by US \$0.15 per kg/year of redirected production from future funding.