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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

**STATUS REPORTS AND REPORTS ON PROJECTS
WITH SPECIFIC REPORTING REQUIREMENTS**

1. The present document serves as a follow-up to the issues raised in the last annual progress and financial reports submitted to the 86th meeting,² and in relation to projects and activities for which specific reports were requested in previous meetings.

2. Due to the coronavirus disease (COVID-19), the 85th meeting was postponed and the 86th meeting was limited to virtual discussions on a selected group of agenda items. The Executive Committee agreed for both meetings to establish intersessional approval processes (IAP) to consider certain reports and projects submitted to the 85th and to the 86th meetings, including reports on projects with specific reporting requirements recommended for blanket approval, while other reports that required individual consideration were deferred to the 87th meeting. Therefore, the present document also includes reports on projects with specific reporting requirements that were submitted for individual consideration to the 85th and 86th meetings.

3. The document consists of the following four sections:

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

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"). The report of the meeting of the Executive Committee will present each report contained in this section individually, together with the decision adopted by the Committee

Section III Reports on projects with specific reporting requirements for individual

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/86/15-20

consideration by the Executive Committee

Addendum I: Consists of three reports related to China,³ one of them to be included in the reports to be considered for “blanket approval” (Financial audit reports for the CFC production, halon, PU foam, process agent II, refrigeration servicing and solvent sectors (decision 86/41)). The other two reports, Report on progress in the implementation of activities listed in decision 83/41(e) and the 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)), will be for individual consideration by the Executive Committee.

SECTION I: PROJECTS WITH IMPLEMENTATION DELAYS AND FOR WHICH SPECIAL STATUS REPORTS WERE REQUESTED

4. At the IAP established for the 86th meeting, the Executive Committee noted that the bilateral and implementing agencies would report, at the 87th meeting, on the 94 projects with implementation delays and 55 ongoing projects or tranches of multi-year agreements recommended for additional status reports (decision 86/13(c)). Accordingly, relevant bilateral and implementing agencies submitted the requested reports to the 87th meeting.

Implementation delays

5. In reviewing the reports submitted by bilateral and implementing agencies, the Secretariat noted:
- (a) That there has been progress in overcoming delays in 50 projects that would be removed from future reporting;
 - (b) That “some progress” has been achieved in 30 projects listed in Annex I to the present document, that would require continued monitoring until their final completion in line with decision 32/4; and
 - (c) That “no progress” has been made in 14 projects listed in Annex II to the present document, for the first time after a multi-year agreement component had been classified as having an implementation delay, that would require continued monitoring in line with decision 84/45.

Projects for which additional status reports were requested⁴

6. The Secretariat held discussions with relevant bilateral and implementing agencies on projects for which additional status reports were requested. Further to the discussions, several issues have been satisfactorily addressed.

7. The projects with outstanding issues are listed in Annex III to the present document.

Recommendation

8. The Executive Committee may wish:

- (a) To note:

³ UNEP/OzL.Pro/ExCom/87/9/Add.1

⁴ Institutional strengthening (IS), halon banking, customs training, recovery and recycling (R&R), and demonstration projects are not subject to procedures for project cancellation. Nevertheless, the Executive Committee has decided to continue to monitor them as appropriate (decision 36/14(b)).

- (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 I and II to the present document, and on 22 projects recommended for additional status reports, as indicated in Annex III to the present document, 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 III to the present document.

REPORTS ON PROJECTS WITH SPECIFIC REPORTING REQUIREMENTS

9. Table 1 lists the reports on projects with specific reporting requirements submitted to the 87th meeting recommended for blanket approval.

Table 1: Reports on projects with specific reporting requirements recommended for blanket approval

Country	Project title	Paragraphs
Reports related to HCFC phase-out management plans (HPMPs)		
Afghanistan	HPMP (stage I): Request for extension of completion date	11-25
Argentina	HPMP (stage II): Update on the financial viability of the enterprise Celpack	26-31
Brunei Darussalam	HPMP (stage I): Request for extension of completion date	32-41
Chile	HPMP (stage II): Progress report - work programme final tranche and verification report	42-55
Côte d'Ivoire	HPMP (stage I): Update on the adoption of the inter-ministerial decree for regulating import, export, transit, re-export and trade of ODS (decision 86/23(b))	56-63
Ecuador	HPMP (stage I): Postponement of the ban on imports of HCFC-141b contained in pre-blended polyols	64-70
Eswatini	HPMP (stage I): Progress report - work programme final tranche	71-80
Ethiopia	HPMP (stage I): Progress report - work programme final tranche	81-90
Jamaica	HPMP (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 (86/72(e))	91-96
Jordan	HPMP (stage II): Change in technology at five enterprises	97-107
Lao, PDR	HPMP (stage I): Request for extension of completion date	108-119
Malaysia	HPMP (stage II): Change in technology at nine enterprises and reallocation of funds	120-131
Mexico	HPMP (stage I): Progress report – work programme final tranche	132-137
Morocco	HPMP (stage I): Progress report – work programme final tranche	138-149
Nepal	HPMP (stage I): Request for extension of completion date	150-158
Pacific Island Countries	HPMP (stage I): Request for extension of completion date	159-171
Philippines	HPMP (stage II) Request for cancellation of air-conditioning manufacturing sector plan, revised implementation plan and updating of the Agreement	172-195
Uruguay	HPMP (stage I): Request for extension of completion date and progress report on foam sector implementation	196-209
Change of implementing agency		
Ecuador	IS and HPMP (stages I and II): Change of implementing agency from UNEP to UNIDO	210-214
Report on HFC-related activities that require an extension		215-220
Requests for extension of enabling activities in line with decision 81/32(a)		221-223

10. Table 2 lists the reports on projects with specific reporting requirements submitted to the 87th meeting for individual consideration and a brief explanation of related issues.

Table 2: Reports on projects with specific reporting requirements for individual consideration

Country	Project title	Issue	Paragraphs
Reports related to HCFC phase-out management plans (HPMPs)			
Democratic People's Republic of Korea	HPMP (stage I): Progress report on implementation of activities	Request for guidance in view of the challenges in implementing activities in light of the United Nations Security Council resolutions	224-237

SECTION II: REPORTS ON PROJECTS WITH SPECIFIC REPORTING REQUIREMENTS RECOMMENDED FOR BLANKET APPROVAL

Reports related to HPMPs⁵

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

Background

11. On behalf of the Government of Afghanistan, UNEP as the lead implementing agency has submitted a request for extension of the implementation of stage I of the HCFC phase-out management plan (HPMP) for Afghanistan.

12. Stage I of the HPMP was approved at the 63rd meeting⁶ to meet the 35 per cent reduction from the baseline by 2020 at a total funding level of US \$679,101, plus agency support costs of US \$78,554, to phase out 8.26 ODP tonnes of HCFCs. All four tranches planned in stage I have been approved, with the last tranche approved at the 85th meeting. In accordance with paragraph 14 of the Agreement between the Government and the Executive Committee, the project is to be completed by the end of 2021.

13. The implementation of stage I is progressing. The first and second tranches have been completed; most activities in the third tranche have already been implemented and are expected to be completed on time. However, due to the impact of the COVID-19 pandemic, the small-scale funding agreement (SSFA) between the Government and UNEP for the final tranche was signed nine months late from the original time plan. The Government of Afghanistan is requesting an extension of the implementation of stage I until 31 December 2022.

HCFC consumption

14. The Government of Afghanistan reported a consumption of 6.05 ODP tonnes of HCFCs in 2020, which is 61 per cent below the HPMP target of 15.34 ODP tonnes for 2020, and 74 per cent lower than the established baseline of 23.60 ODP tonnes. The significant decrease in HCFC consumption from 2019 to 2020 was due to the impact of the COVID-19 pandemic, which has reduced the economic activities and imports of HCFC-22 to the country. The consumption reported for 2020 under the country programme (CP) implementation report (Article 7 data for 2020 has not yet been reported) demonstrates that the country has achieved the 35 per cent reduction target in compliance with the Montreal Protocol.

15. The Government submitted sector consumption data under the 2019 CP implementation report is consistent with the data reported under Article 7 of the Montreal Protocol.

⁵ Report related to the HPMP for Uruguay is included in the project proposal document (UNEP/OzL.Pro/ExCom/85/52).

⁶ UNEP/OzL.Pro/ExCom/63/22

Progress report on the implementation of stage I

16. The country has been implementing the licensing and quota system to control the import of HCFCs. A ban on import of HCFC-based equipment and import of HCFC-141b contained in pre-blended polyols was introduced in 2018 and is being enforced. So far, a total of 1,264 customs officers and enforcement personnel were trained in HCFC import control, identification of ODS and prevention of illegal trade under stage I of the HPMP.

17. Training workshops have been conducted and so far, 24 trainers and a total of 360 refrigeration and air-conditioning (RAC) technicians have been trained in good servicing practices, the safe handling of flammable refrigerants and maintaining energy efficiency of RAC equipment.

18. The Afghanistan-Korea Institute (AKI) was supported as the refrigerant management and containment centre (RMCC). Equipment and tools have been delivered to AKI and registered for official use. AKI is developing visual training materials for the training of technicians and students who have access to online resources.

19. A survey was conducted to select additional vocational training centres for RAC technicians. A memorandum of understanding has been developed with the Ministry of Labour and Social Affairs to establish the RAC profession in two provincial training centres in Herat and Balkh supported by the national budget scheme.

20. Since the approval of the fourth tranche, a SSFA between the Government of Afghanistan and UNEP to specify legal responsibilities for activity implementation and reporting has been signed. The SSFA is being incorporated into the agreement between UNEP and the UNDP country office for fund transfers.

Enabling activities in the refrigeration and air-conditioning (RAC) sector

21. The Government of Afghanistan has been implementing enabling activities and the proposal to ratify the Kigali Amendment has been endorsed by all the relevant Ministries and is awaiting Cabinet approval. A consultant is working on drafting the legal text of the ODS Regulation Amendment to integrate HFCs and HFC blends into the licensing system. Harmonized System (HS) codes for HFCs and blends have been introduced and sent to all customs ports and included in the customs ASYCUDA⁷ system. The national ozone unit has developed communication materials on the Kigali Amendment (including brochures, banners, and information videos in Dari and Pashto) and is conducting a distribution and media campaign.

Level of fund disbursement

22. As of April 2021, of the US \$679,101 approved so far, US \$518,445 had been disbursed (US \$344,828 for UNEP, US \$37,062 for the Government of Germany and US \$136,555 for UNIDO).

Secretariat's comments

23. The Secretariat notes that the implementation of stage I of the HPMP for Afghanistan has been progressing well. The first and second tranches have been completed; most of the activities in the third tranche have been completed or planned, and all funds have been committed. The groundwork for implementation of the fourth tranche is being laid.

24. The Secretariat notes the efforts undertaken by the Government of Afghanistan, UNEP and UNIDO to complete the activities planned in the third and fourth tranches. Notwithstanding those efforts, it is anticipated that the project will not be completed before the end of 2021 due to delays associated with the

⁷ Automated System for Customs Data

COVID-19 pandemic as the SSFA was signed nine months late and the SSFA is being incorporated into the funding transfer agreement with UNDP. The extension of one additional year would allow the Government, UNEP and UNIDO to complete the remaining activities in the third and fourth tranches.

Recommendation

25. The Executive Committee may wish:
- (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.

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

Background

26. At its 84th meeting, the Executive Committee considered the request for funding the second tranche of stage II of the HPMP for Argentina.⁸ The tranche request included a progress report indicating *inter alia* that the conversion of the extruded polystyrene (XPS) foam enterprise Celpack, from HCFC-22 to CO₂, had been delayed due to economic difficulties that the enterprise was facing and to its interest in evaluating butane as an alternative to HCFCs. In approving the funding tranche, the Committee requested UNIDO to submit at the 85th meeting an update on the financial viability of the enterprise and whether it would be assisted by the Multilateral Fund, on the understanding that the funds from the conversion would be returned in the event that the enterprise were removed from the project (decision 84/64(d)(ii)).

27. In line with decision 84/64(d)(ii), UNIDO submitted to the 85th meeting a report indicating that the Government of Argentina and UNIDO were unable to conclude the assessment regarding the financial viability of Celpack owing to the isolation measures established by the Government due to the COVID-19 pandemic, which did not allow the national ozone unit (NOU) to visit the enterprise and to finalize the financial assessment. Accordingly, the Executive Committee, through the intersessional approval process for the 85th meeting (IAP-85), requested the Government of Argentina, through UNIDO, to provide to the 86th meeting an update on the financial viability of the enterprise Celpack, a decision on whether the enterprise would be assisted by the Multilateral Fund in line with decision 84/64(d)(ii), and the return of funds associated with the conversion in the event that the enterprise was removed from the project.

28. In response to the decision adopted through the IAP-85, UNIDO indicated in September 2020 that no progress had been made in the proceedings because of the judicial recess implemented as part of the isolation measures due to the COVID-19 pandemic. The information received from the trustee revealed that the majority of Celpack's debt was with the Federal Agency for Public Incomes. Recognizing the economic impact of COVID-19, the Parliament passed a law approving a moratorium plan for financing debts due by

⁸ UNEP/OzL.Pro/ExCom/84/39

31 July 2020. Subsequently, the Executive Committee requested the Government of Argentina, through UNIDO, to provide to the 87th meeting an update in line with decision 84/64(d)(ii) (decision 86/22).

Progress report

29. UNIDO, on behalf of the Government of Argentina, has submitted an update to the 87th meeting. It indicated that Celpack has been adhering to the established flexible moratorium plan and paying off its debts, in accordance with the repayment schedule approved by the Argentina Tax Authority. This is expected to have a positive impact on the financial viability of the enterprise. As soon as the COVID-19 containment measures are lifted and the Provincial Judiciary resumes operations, the NOU and UNIDO will discuss with the trustee to determine the economic situation of Celpack, and report to the 88th meeting.

30. The Government of Argentina has reiterated that the funding associated with Celpack would not be disbursed until the issue had been resolved and its resolution considered by the Executive Committee. The Secretariat notes that in the event that the enterprise were found to be not financially viable, the level of funds to be returned would be calculated taking into consideration the terms of flexibility used for the approval of funds for the XPS foam sector in Argentina.⁹

Recommendation

31. The Executive Committee may wish:

- (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.

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

Background

32. On behalf of the Government of Brunei Darussalam, UNEP as the lead implementing agency has submitted a request for extension of the implementation of stage I of the HPMP.

33. Stage I of the HPMP was approved at the 66th meeting,¹⁰ to meet the 35 per cent reduction from the baseline by 2020, at a total funding level of US \$315,000, plus agency support costs, to phase out 2.1 ODP tonnes of HCFCs used in the RAC servicing sector. All four tranches planned in stage I have been approved, with the last tranche approved under the intersessional approval process for the 85th meeting¹¹ in

⁹ The funding of US \$348,767 approved for the two enterprises in the XPS foam sector, was lower than the estimated incremental cost of US \$439,200; it was agreed that the Government of Argentina would have flexibility in the allocation of funds between the two enterprises, on the understanding that both enterprises would convert to the selected technology on time (paragraph 76 of document UNEP/OzL.Pro/ExCom/79/27).

¹⁰ UNEP/OzL.Pro/ExCom/66/31

¹¹ UNEP/OzL.Pro/ExCom/85/20

May 2020. In accordance with paragraph 14 of the Agreement between the Government and the Executive Committee, the project is to be completed by the end of 2021.

34. The implementation of stage I is progressing. The first and second tranches have been completed; most activities of the third tranche have been implemented. However, due to the impact of the COVID-19 pandemic, the implementation of some HPMP activities, especially a training workshop for customs brokers and importers, three training workshops for technicians, the provision of refrigerant identifiers and training for reclamation centre staff, awareness and information dissemination, and the organization of a national stakeholders' workshop planned for the third and fourth tranches have been delayed. Given the uncertain timing of post-COVID-19 recovery, the Government is requesting an extension of the implementation of stage I until 31 December 2022.

HCFC consumption

35. Although the HCFC consumption data for 2020 has not yet been submitted under Article 7 of the Montreal Protocol, the country programme implementation report shows a consumption of 3.67 ODP tonnes of HCFCs in 2020, which is 7 per cent below the HPMP target of 3.96 ODP tonnes for that year, and 40 per cent lower than the established baseline of 6.1 ODP tonnes.

Progress report on the implementation of stage I

36. The country has been enforcing the licensing and quota system to control the import of ODS through an online declaration and permit application system following a Customs Order established in 2005; the HCFC quota system was introduced in 2013. The Government has been implementing mandatory inspection and labelling for HCFC-22 containers since 2013, the formalization of HFC licensing has been reviewed by the Attorney General's Chambers and the Ministry of Finance and Economy, waiting for signature from relevant authorities. A ban on the import and export of HCFC-based air-conditioners (up to 2.5 HP) is scheduled by the end of December 2021; and a ban on the import of all types of HCFC-based equipment is scheduled for 1 January 2026. The Customs Department has included the ODS licensing system in the customs training curriculum. A total of 36 customs officers have been trained under stage I.

37. Training workshops have been conducted for 257 technicians in the installation and servicing of RAC equipment, and two master trainers received training in China on the safe handling of flammable refrigerants. Ten sets of recovery equipment were procured for the recovery, recycling, and re-use programme, five of which were distributed to selected RAC enterprises after the completion of training in good practices. The remaining five sets are planned for distribution in the second half of 2021; an agreement was signed to set up a reclamation centre (which has received one mini-reclamation unit and associated tools); the training for the reclamation centre staff has been planned; and the procurement requirements for effective operation have been completed.

38. Since the approval of the fourth tranche at the 85th meeting, UNEP and UNDP have respectively submitted a SSFA and a letter of agreement (LOA) to the Government of Brunei Darussalam, specifying legal responsibilities for implementation and reporting. The country has internal procedures to approve the signing of agreements with an international organization on a project-by-project basis. The restrictions on movement imposed by the Government because of the COVID-19 pandemic have slowed down the internal consultation and approval process. The internal review process is currently at the final stage for approval by the Prime Minister's Office. UNEP estimated that these agreements would be signed in June 2021, with implementation starting after signature.

Level of fund disbursement

39. As of April 2020, of the US \$315,000 approved so far, US \$151,523 had been disbursed by UNEP and US \$120,710 had been disbursed by UNDP.

Secretariat's comments

40. The Secretariat notes the efforts undertaken by the Government of Brunei Darussalam, UNEP and UNDP to implement the activities planned in the fourth tranche of stage I of the HPMP by 31 December 2021. Notwithstanding those efforts, it is anticipated that the project will not be completed by the end of 2021 due to delays associated with the COVID-19 pandemic. UNEP explained that during the peak of COVID-19, Brunei Darussalam was unable to conduct large-scale in-person meetings as per the Ministry of Health's guidelines, which delayed the implementation of the planned activities. Moreover, travel restrictions blocked the hiring of regional expert to conduct technician training on handling flammable refrigerants and refrigerant reclamation modules. In addition, the SSFAs will be signed in June 2021. The extension of one additional year would allow the Government, UNEP and UNDP to complete the remaining activities in the fourth tranche.

Recommendation

41. The Executive Committee may wish:

- (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.

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

Background

42. On behalf of the Government of Chile, UNDP as lead implementing agency, has submitted the annual progress report on the implementation of the work programme associated with the third and final tranche of stage II of the HPMP and a verification report on HCFC consumption for 2019 to 2020, as requested by the Executive Committee under the intersessional approval process for the 85th meeting¹² in May 2020.

HCFC consumption

43. The Government of Chile reported a consumption of 27.0 ODP tonnes of HCFC in 2020, which is 69 per cent below the HCFC baseline for compliance and 44 per cent below the allowable level of consumption in the Agreement with the Executive Committee.

¹² Annex IV of document UNEP/OzL.Pro/ExCom/85/67

Verification report

44. The verification report confirmed that the Government of Chile was implementing a licensing and quota system for HCFC import and export. The total consumption of HCFCs reported under Article 7 of the Montreal Protocol for 2019 of 32.21 ODP tonnes was 3.03 ODP tonnes lower than the verified consumption of 35.24 ODP tonnes; the difference was due to the inclusion of HCFC-141b contained in imported pre-blended polyols in the verified consumption. The total consumption of 27.01 ODP tonnes of HCFCs for 2020 reported under Article 7 was consistent with the verified consumption. The verification report also indicated that the Government has a robust regulation to control the import of HCFCs and all other ODS.

Legal framework

45. The ban on the import and use of HCFC-141b for the polyurethane (PU) foam manufacturing sector and on the import and export of HCFC-141b contained in pre-blended polyols has been in place since 1 January 2020. Implementation of this ban has been reported in the verification report, which found no import of this substance has been registered and customs has not detected any possible smuggling intent.

46. The updating of the national customs code for HCFCs, HFCs and their alternatives, for pure substances, blends and fully formulated polyols, was completed in 2020, and from January 2022, importation of these controlled substances will use the HS codes. Training for customs officers could not be delivered in 2020 due to the pandemic situation. The theory part of the training will be made available online in 2021 and in-person training will be completed in the first half of 2022.

Polyurethane (PU) foam manufacturing sector

47. Prior to the submission of the third tranche the following foam enterprises had been converted to alternative technologies:

- (a) Two individual enterprises; one (Inema) to cyclopentane/HFO and one (Polchile and Claudia Letelier F&C) to HFO technology, with a phase-out of 7.22 ODP tonnes (77.36 mt) of HCFC-141b;
- (b) Two small- and medium- sized enterprises (SMEs) (Ingepur and Sociedad Aislaciones Térmicas) formerly part of the group supported by Austral, with a total consumption of 1.03 ODP tonnes (9.36 mt) of HCFC-141b, and one SME (Fidel Valenzuela) formerly part of the group supported by Ixom, with a total consumption of 0.26 ODP tonnes (2.36 mt) of HCFC-141b, completed their conversion to HFO technology as “individual enterprises” without any additional funding from the Multilateral Fund; and
- (c) Twenty-seven SMEs supported by Austral, (one (Victor Himmers) moved from Ixom to Austral during project implementation), to HFO technology with a total phase-out of 6.37 ODP tonnes (57.91 mt) of HCFC-141b.

48. The three remaining enterprises (Danica, Refricentro and Superfrigo) and one systems house (Ixom, which originally included the conversion of eight SMEs¹³), were to be converted during implementation of the third tranche. In May 2020, Superfrigo sent a letter to the NOU cancelling its participation in the project; Danica and Refricentro completed their conversions to HFO in October and December 2020, respectively, phasing out 4.16 ODP tonnes (37.82 mt) of HCFC-141b; and Ixom signed

¹³ Of the original eight SMEs anticipated for the group project, two became individual projects and converted on their own; two did not participate; and three were incorporated into the group project which met the eligibility requirements but had not originally been identified in the market study during the project preparation.

the agreement with seven downstream SMEs in July 2020, with the conversion to HFO technology to be completed during the second half of 2021.

Refrigeration servicing sector

49. The following activities were implemented:

- (a) Five online training courses on good refrigeration practices for 83 RAC technicians (including 13 women); completion and publishing of good refrigeration practices training manuals; and an online training on alternatives to HCFC-141b in flushing held for 100 participants. Since January 2020, five RAC technicians were certified on installation of refrigeration systems and 101 technicians were certified on installation and maintenance of RAC equipment;
- (b) Continued the development of the registry system for products containing controlled substances. The system is expected to be online by the end of 2021 and will be used to monitor the import of products and equipment using controlled substances;
- (c) Initiated work to establish the recovery and recycling centres including hiring a consultant to assist with the technical specifications of the equipment required in order to launch the procurement process and to select the beneficiaries. These centres are expected to be operational by the end of 2021 or early 2022;
- (d) Technical specifications to identify beneficiary companies for a demonstration project for the conversion of cold rooms and air-conditioners to trans-critical CO₂, trans-critical CO₂/ammonia, and ammonia finalized with the assistance of an international consultant; and
- (e) Awareness raising activities including the publication of several online videos about good refrigeration practices, the refrigerant reclamation centre, and the Kigali Amendment targeting RAC technicians; published monthly bulletins and posted information on various online media to promote the switch to HCFC-free technologies.

Project implementation and monitoring unit (PMU)

50. Of the US \$14,200 (US \$4,830 for UNDP and US \$9,370 for UNIDO) approved for project monitoring and implementation for the third tranche, a consultant for HCFC consumption verification and experts to provide technical support to the NOU were engaged as well as an assistant.

Status of disbursement

51. As of May 2021, of the US \$3,394,017 approved for stage II, US \$2,079,621 (61 per cent) had been disbursed (i.e., US \$1,634,991 for UNDP, US \$12,635 for UNEP, and US \$431,995 for UNIDO), as shown in Table 3.

Table 3. Financial report of stage II of the HPMP for Chile (US \$)

Agency	Funds approved	Funds disbursed	Balance	Disbursement rate (%)
UNDP	2,145,047	1,634,991	510,056	76
UNEP	218,270	12,635	205,635	6
UNIDO	1,030,700	431,995	598,705	42
Total	3,394,017	2,079,621	1,314,396	61

Secretariat's comments

PU foam manufacturing sector

52. Upon request for clarification on the cancellation of the individual project for Superfrigo, UNDP explained that the enterprise has converted to an HFC-based PU system (i.e., HFC-365mfc blend (93 per cent) with HFC-227ea (7 per cent)), and confirmed that the funds associated with this enterprise (US \$103,201) will be returned by the 89th meeting.

53. UNDP also confirmed that the group project for Ixom will be completed no later than 31 December 2021.

Refrigeration servicing sector

54. In clarifying the expected date of the establishment of the recovery and recycling centres which may not be until early 2022, UNDP explained that it is doing its utmost to ensure that the equipment will be in place earlier so that these centres will be operational before the end of the year; the later date was indicated in case delays are experienced in the procurement and distribution process.

Recommendation

55. The Executive Committee may wish:

- (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.

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)

Background

56. At its 84th meeting, in approving the third tranche of stage I of the HPMP for Côte d'Ivoire, the Executive Committee requested the Government and UNEP to implement the measures recommended in the verification report submitted to the 84th meeting and to report, through UNEP, at the 86th meeting, 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 (decision 84/71(e)).

57. In line with decision 84/71(e), at the 86th meeting, UNEP reported that the “arrêté interministériel” was approved by the National Ozone Committee in January 2020, and signed by the Minister of Environment and Sustainable Development and the Minister of Commerce and Industry in April 2020; however, it was awaiting the signature of the Minister of Economy and Finance. Only when the “arrêté interministériel” was signed by all relevant Ministers, the Prime Minister would be able to promulgate it. Unfortunately, the Prime Minister of Côte d’Ivoire passed away in July 2020 and a new Cabinet, including a new Minister of Finance, has just been in place; in view of this, the process of signing the inter-ministerial decree had been delayed.

58. With regard to the implementation of the recommendations in the verification report, UNEP provided information on the actions that have been implemented by the Government for monitoring sales of refrigerants, the designation of Ozone Focal Point by the Ministry of Commerce and Industry, procedures for authorizing imports of ODS, actions taken for monitoring the quality of refrigerants in the market, and responsibilities of retailers to keep records of all refrigerants that they buy and use. Further, UNEP provided additional information relating to training and meetings held for controlling and monitoring data on HCFCs and HFCs.

59. Subsequently, the Executive Committee took note of the report and requested the Government of Côte d’Ivoire to provide an update, through UNEP, at the 87th meeting, on the adoption of the “arrêté interministériel” for regulating import, export, transit, re-export and trade of ODS (decision 86/23(b)).

87th meeting

60. In its report to the 87th meeting, UNEP explained that due to the Government reshuffle, the process of signing the “arrêté interministériel” by the four Ministers has to be undertaken again. As of 15 May 2021, only the Minister in charge of the Environment has signed the “arrêté”, the other three Ministers (i.e., Minister of Budget and State Portfolio, Minister of Commerce and Industry, and Minister of Economy and Finance) are expected to sign it by 30 October 2021.

61. UNEP would continue following up with the Government and keep the Executive Committee updated on this matter.

Secretariat’s comments

62. Based on the information provided by UNEP, the Secretariat notes that although the “arrêté” is yet to be signed, the NOU under the guidance of the National Ozone Committee continues taking steps for strengthening implementation and monitoring of the ODS import/export reporting systems; the related activities are also being implemented and monitored by the National Ozone Committee and the NOU.

Recommendation

63. The Executive Committee may wish:

- (a) To note the 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 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.

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)

Background

64. Subsequent to the finalization of documentation for the intersessional approval process established for the 86th meeting (IAP-86), the Secretariat received in November 2020 a letter from the Government of Ecuador informing the need to further postpone the ban on imports of HCFC-141b contained in pre-blended polyols from 1 January 2021 to 1 January 2022.

Secretariat's comments

65. Noting that the request was received too late for consideration at the IAP-86 (i.e., after the finalization of documents for the 86th meeting and during the IAP-86), the Secretariat informed the Government of Ecuador that the issue would be submitted to the 87th meeting. Accordingly, the request from the Government of Ecuador is presented for the Executive Committee's consideration.

66. As part of the foam sector project to phase out HCFC-141b contained in imported pre-blended polyols in Ecuador under stage I of the HPMP, the Government committed not to issue import quotas for HCFC-141b contained in pre-blended polyols as of 1 January 2020, except for a maximum of 0.86 ODP tonnes (7.78 mt) for the spray foam sector for each year of 2020 and 2021, in line with decision 81/47(c)(i).

67. In submitting the last tranche for stage I of the HPMP at the 85th meeting, UNIDO informed that the Government needed to postpone the ban from 1 January 2020 to 1 January 2021 to allow assisted polyurethane (PU) foam enterprises to complete tests with low-global-warming potential (GWP) alternative blowing agents and undertake the associate conversions of their manufacturing processes. The Secretariat informed the Executive Committee accordingly.¹⁴

68. In justifying the further postponement of the ban from 1 January 2021 to 1 January 2022, the Government of Ecuador through UNIDO explained that the project activities (i.e. tests with low-GWP blowing agents and conversion of the assisted enterprises) were delayed due to measures taken by the Government to stop the spread of the COVID-19 pandemic.

69. The Secretariat notes that the further extension of the ban to 1 January 2022 will allow the systems houses and foam enterprises to complete the ongoing tests with low-GWP blowing agents and complete the conversion of the enterprises by the planned date of completion of stage I of the HPMP of 31 December 2021.

Recommendation

70. The Executive Committee may wish to note 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.

¹⁴ UNEP/OzL.Pro/ExCom/85/24

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

71. Stage I of the HPMP was approved at the 63rd meeting¹⁵ to meet the 35 per cent reduction from the baseline by 2020, at a total funding level of US \$877,948, plus agency support costs of US \$77,396, to phase out 8.27 ODP tonnes of HCFCs. At its 83rd meeting, the Executive Committee approved the fourth (final) tranche of stage I¹⁶ and requested the Government of Eswatini, UNEP and UNDP to submit a progress report on the implementation of the work programme associated with the final tranche to the first meeting of the Executive Committee in 2021, and the project completion report to the second meeting in 2022 (decision 83/49). The project is to be completed by the end of 2021. Stage II was approved at the 86th meeting.

72. In line with decision 83/49, on behalf of the Government of Eswatini, UNEP as the lead implementing agency, has submitted a progress report on the implementation of stage I of the HPMP.

HCFC consumption

73. The Government of Eswatini reported under the country programme a consumption of 0.41 ODP tonnes of HCFCs in 2020, which is 63 per cent below the Montreal Protocol control target of 1.12 ODP tonnes for that year, and 76 per cent below the established baseline of 1.73 ODP tonnes. The Article 7 data for 2019 has not been reported yet.

74. The Government submitted sector consumption data under the 2019 country programme implementation report consistent with the data reported under Article 7 of the Montreal Protocol.

Progress report on the implementation of stage I

75. The country has been implementing the licensing and quota system to control the import of HCFCs. The NOU organized meetings for the steering committee and importers to assess HCFC consumption and to determine the quota. The quota for 2021 was allocated to 14 importers at the level of 0.51 ODP tonnes, which is below the Montreal Protocol control target.

76. After approval of the fourth tranche, a SSFA between the Government and UNEP was signed in October 2019. Three training workshops were conducted for 80 custom officers (14 female participants) on HCFC import control and the prevention of illegal trade. Two training workshops were conducted for 49 servicing technicians (three female technicians) on good refrigeration practices including the safe handling of hydrocarbons. Three vocational training institutions (SCOT, Gwamile Voctim and MITC) have been identified to serve as referral centres for training of technicians, to manage tools and equipment for the technicians in the regions, and to collect data from end-users.

Level of fund disbursement

77. As of April 2021, all funding for the first three tranches has been disbursed; of the US \$30,000 approved for the fourth tranche, US \$15,000 has been disbursed (50 per cent). The remaining US \$15,000 will be disbursed in 2021.

Completion of stage I

78. UNEP confirmed that stage I of the HPMP will be completed by the end of 2021.

¹⁵ UNEP/OzL.Pro/ExCom/63/52

¹⁶ UNEP/OzL.Pro/ExCom/83/26

Secretariat's comments

79. With regard to the remaining activities and any balance to be returned, UNEP reported that upon requests for additional training activities, the Government is planning to conduct additional training for 20 customs officers and 25 technicians. Monitoring activities and drafting the final report for the implementation of stage I to draw recommendations and lessons learned to assist in the implementation of stage II, will also be implemented.

Recommendation

80. The Executive Committee may wish to note 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)

Background

81. On behalf of the Government of Ethiopia, UNEP as the lead implementing agency, has submitted the progress report on the implementation of the work programme associated with the third and final tranche of the stage I of the HPMP, in line with decision 85/22(a). This tranche was 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 Ethiopia was extended from 31 December 2021 to 31 December 2022.

HCFC consumption

82. The Government of Ethiopia reported under CP implementation report a consumption of 3.41 ODP tonnes of HCFC in 2020, which is 38 per cent below the HCFC baseline for compliance. Ethiopia only consumes HCFC-22, which is used exclusively in the servicing sector. Consumption continues to decline with the implementation of the activities in the refrigeration servicing sector in the HPMP and of the license and quota system.

83. The Government of Ethiopia reported HCFC sector consumption data under the 2019 CP implementation report which is consistent with the data reported under Article 7 of the Montreal Protocol.

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

Legal framework

84. Ethiopia's ODS regulations, gazetted in 2011, cover the imports and exports of ODS and ODS-based equipment, and provide for a licensing system for all ODS, including HCFCs. The Environmental Protection Agency is the focal point for the Montreal Protocol; it coordinates all activities to meet compliance; works closely with the Ethiopian Customs and Revenue Authority in the enforcement of the ODS regulations; and is responsible for the logistical and enforcement mechanisms for the ODS regulations and raising awareness of the importers and the general public on ozone issues. The HCFC quota and licensing system is operational and is being enforced. The NOU keeps records of all importers that were granted the permit to import HCFCs; the permit is valid until 31 December in the year the permit was issued. Only registered importers may be granted a quota permit. Any controlled substances imported without a quota permit are confiscated by the Customs Department.

85. The Government of Ethiopia has already issued HCFC import quotas for 2021 at 3.30 ODP tonnes, which is lower than the Montreal Protocol control target of 3.58 ODP tonnes for that year.

Refrigeration servicing sector

86. Since the approval of the third and final tranche in June 2020, the following activities were undertaken:

- (a) Three training workshops for 64 custom officers, of which 31 were women, on controlling and monitoring ODS. An additional training workshop for approximately 20 customs officers was delayed due to the COVID-19 pandemic and will be held by July 2021;
- (b) Four training workshops for 90 RAC technicians, of which 38 were women, on good servicing practices, emerging technologies and safe servicing and maintenance of RAC equipment based on low-GWP refrigerants. An additional training workshop for 20 RAC technicians was delayed due to the COVID-19 pandemic and will be held by September 2021;
- (c) Training equipment (e.g., recovery units with cylinders, manifold gauge sets, gas detectors, and hydrocarbon teaching units) for the vocational training centres, refrigerant identifiers for customs and the training centres, and tools for servicing technicians (e.g., adjustable wrench, flaring set, swaging tools, brazing torch, tube bender, valves, fittings) was procured; delivery of the equipment, which was delayed due to the COVID-19 pandemic, is expected by July 2021; and
- (d) Two meetings for the RAC association to strengthen the association and assist in drafting the association rules.

87. In line with the recommendations of the verification report submitted to the 77th meeting, the website for importers to apply online for a quota was developed and is at a trial stage; the website will be finalized by January 2022. The NOU, in collaboration with inspectors from the Environment Forest and Climate Change Commission undertook two visits to markets, warehouses and shops to inspect for illegal imports of ODS.

Level of fund disbursement

88. As of April 2021, of the US \$315,000 approved under stage I, US \$237,420 had been disbursed (US \$165,000 for UNEP and US \$72,420 for UNIDO). The balance of US \$77,580 will be disbursed between 2021 and 2023.

Secretariat's comments

89. Notwithstanding the challenges due to the COVID-19 pandemic, implementation of the HPMP has continued, with some delays. The extension of stage I of the HPMP to 31 December 2022 agreed by the Executive Committee at its 85th meeting (decision 85/22(a)) will allow for the completion of the implementation of the work programme associated with the final tranche of the HPMP. Once the equipment procured by UNIDO has been delivered, UNIDO would achieve the level of disbursement required under decision 85/22(a)¹⁷ to enable the submission of stage II of the HPMP, which was submitted to the 87th meeting and subsequently deferred and is expected to be submitted to the 88th meeting.

¹⁷ The Executive Committee approved the third tranche of the HPMP on the understanding *inter alia* that the Government could submit its stage II of the HPMP once 80 per cent of the total funds approved for UNIDO had been disbursed.

Recommendation

90. The Executive Committee may wish to note 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)

Background

91. Stage II of the HPMP for Jamaica was approved in principle at the intersessional approval process established for the 86th meeting; in approving the first tranche, the Executive Committee requested the Government of Jamaica and UNDP to provide, to the 87th meeting, an update on the status of implementation of the measures for strengthening the licensing and quota system, and the monitoring and reporting of HCFC consumption, recommended in the verification report submitted to the 85th meeting¹⁸ (decision 86/72(e)).

92. In response to the Executive Committee request, UNDP submitted to the 87th meeting a report providing the following information:

- (a) On 31 March 2020, the National Environment and Planning Agency (NEPA) officially requested the Jamaica Customs Academy (JCA), to discontinue using tariff codes to register HCFC imports and not to allow imports of HCFCs through tariff codes that are not meant for HCFCs. On 29 May 2020, the JCA officially communicated the recommended codes for HCFC-blends to the Custom Brokers and Freight Forwarders Association of Jamaica (CBFFAJ). These two actions will avoid the use of wrong codes when reporting HCFC consumption;
- (b) In July 2020, the data reporting template for collecting HCFC and HFC data from importers was modified and sent to the Jamaica Air-Conditioning, Refrigeration and Ventilation Association (JARVA) and importers. The NOU would continue providing consultations and training support to ensure accurate data reporting; the use of this revised reporting template will facilitate process of HCFC data collection and reporting and will improve data quality;
- (c) JCA is communicating on an ongoing basis with importers and brokers to ensure that an invoice for each refrigerant, particularly for HCFCs and HCFC-blends (specifying the composition), is accurately filled. Additionally, training programmes will be held with importers, brokers and other stakeholders to avoid data discrepancy issues in future reporting;
- (d) The risk of illegal imports is being managed by the participation of Jamaica in the informal prior informed consent (iPIC) process; and
- (e) Between March and April 2021, discussions were held between the NOU, JCA and the Ministry of Health and Wellness to ensure that HCFC import quota allocation is in line with the actual needs of the country and in accordance with the HPMP, and that actual amounts of HCFC imports are properly recorded and monitored.

¹⁸ Paragraph 9 of document UNEP/OzL.Pro/ExCom/85/31 lists the actions to be implemented during the fourth tranche of stage I of the HPMP based on the recommendations in the verification report.

93. In addition to the above actions implemented, between October 2020 and February 2021, UNDP held discussions with the NOU, representatives of the Ministry of Housing, Urban Renewal, Environment and Climate Change, the Ministry of Industry, Investment and Commerce and Trade Board, and technical experts on the recommendations for the revision of national HCFC targets in the Trade Order. The revised Trade Order is expected to be finalised by July 2021.

Secretariat's comments

94. The Secretariat noted that the Government of Jamaica with the assistance from UNDP has implemented several activities to expeditiously implement the recommendations contained in the verification report. UNDP explained that although consultations with national stakeholders were affected due to COVID-19-related restrictions, several actions were undertaken to implement the recommendations through virtual meetings and electronic sharing of documents.

95. It was agreed that the Government of Jamaica and UNDP would provide an update on additional steps taken in relation to the recommendations in the verification report to the 88th meeting.

Recommendation

96. The Executive Committee may wish:

- (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.

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

Background

97. At its 77th meeting, the Executive Committee approved, in principle, stage II of the HPMP for Jordan¹⁹ for the period 2017 to 2022, to reduce HCFC consumption by 50 per cent of the baseline, in the amount of US \$3,289,919, consisting of US \$2,075,236, plus agency support costs of US \$145,267 for the World Bank, and US \$999,455, plus agency support costs of US \$69,961 for UNIDO. In approving stage II, the Executive Committee *inter alia* noted that the Government of Jordan would have flexibility in using the funds approved for the polyurethane (PU) foam sector to achieve a smooth and efficient HCFC-141b phase-out in line with its Agreement with the Executive Committee (decision 77/45(a) and (b)(iii)).

98. The PU foam sector plan of stage II of the HPMP includes the conversion of three large enterprises, Jordan Pioneer for Metal Industry (Jordan Pioneer), Al Safa for Sheet Metal Industry and Panel Co (Al Safa) and Jordan Manufacturing and Services Solutions (JMSS), 43 SMEs and six enterprises in spray foam applications. The total phase-out approved in the foam sector plan was 33.07 ODP tonnes.

99. Of these 52 enterprises in PU foam applications, Jordan Pioneer agreed to convert to cyclopentane as the blowing agent when stage II was submitted. During the implementation of stage II, the following

¹⁹ UNEP/OzL.Pro/ExCom/77/51

enterprises decided to adopt cyclopentane-based formulations in place of HFO-based formulations in light of difficulties in availability of HFO-based technologies: Al Safa, Shams Al-ram Tri, Yousef Workshop for Metal Industries, Al-Qanadeel, Prefabricated Buildings (Maani), and Abu Haltam. The Executive Committee approved the technology change in these enterprises at the 83rd meeting²⁰ and 86th meeting.²¹

100. Subsequently, five additional foam enterprises, with a very low consumption of HCFC-141b, producing panels and other products, namely Asr Al Nahda Co., Alfaqeer Industrial Co. Ltd., Majed Ghoche and Partners, Wabbbeh Aluminum Co. and Sharori Aluminium Blind Shutters, have requested for a change in technology from the originally proposed HFO-1233zd(E) to water-blown technology, as HFO-based technology is not available from the regional systems houses. Introducing water-blown technology, the enterprises would achieve timely completion of their conversions, noting that regulations prohibiting imports of HCFC-141b in bulk and contained in imported pre-blended polyols will be in force by 1 January 2022.

101. In accordance with paragraph 7(a)(vii) of the Agreement between the Government of Jordan and the Executive Committee, the Government, through the World Bank, has submitted a request to change the technology for the five enterprises from HFO-based to water-based foam blowing technology.

Secretariat's comments

102. The Secretariat requested clarifications on how this change would affect the remaining conversion projects in the industry. The World Bank clarified that in the foam sector, the remaining enterprises are still considering using HFO-based technology keeping in view the better insulation property and availability of HFO-based technology for applications in insulation foams.

103. The World Bank also confirmed that water-blown technology for roller shutter applications is available in Jordan from regional system houses from Egypt, United Arab Emirates and other countries; technical support will be provided by the system houses to test and evaluate the technology at each enterprise to meet specific requirements. This support would ensure sustainable adoption of water-blown technology in the enterprises.

104. The Secretariat reviewed the costs for conversion of these five enterprises based on the water-blown technology; the change in technology for three enterprises would result in reduction of costs from US \$78,393 to US \$46,522, with two enterprises requiring additional technical assistance from the systems houses on formulations, testing and trials, as shown in Table 4.

Table 4. Revised incremental cost of the conversion to water-blown technology (US \$)

Company name	Fund allocation for HFO-1233zd(E)	Funds allocation for water-blown technology
Asr Al Nahda Co.	24,824	17,788
Alfaqeer Industrial Co. Ltd.	21,005	15,051
Majed Ghoche and Partners	19,096	13,683
Wabbbeh Aluminum Co.	9,273	*
Sharori Aluminium Blind Shutters	4,195	*
Total cost	78,393	46,522

*Technical assistance and support would be provided through the systems houses for conversion of these enterprises with a very small HCFC-141b consumption.

105. The PU foam sector plan approved under stage II of the HPMP included 21 small and tiny enterprises (with consumption of less than one tonne of HCFC-141b), with limited technical skills that would need technical assistance on the development of formulations based on alternative blowing agents,

²⁰ Paragraphs 126 to 136 of UNEP/OzL.Pro/ExCom/83/11; decision 83/24(b).

²¹ Paragraphs 79 to 94 of document UNEP/OzL.Pro/ExCom/86/21; decision 86/25(b).

trials and testing. Given the flexibility provided to the Government of Jordan to allocate total funds approved for different enterprises, for implementing the sector plan in a smooth and efficient manner, and noting that conversion of a number of small and tiny enterprises under the PU foam sector plan is still ongoing, the Secretariat considered relevant that the Government would provide detailed information on the total funds utilised upon completion of implementation of the plan and return balances in line with the Executive Committee guidelines.

106. The Secretariat notes that the technology change would result in sustained adoption of low-GWP technologies in foam applications in these enterprises and will facilitate the achievement of compliance targets of Jordan, noting that the Government has published in the gazette the ban on import of HCFC-141b in bulk and contained in pre-blended polyols after 31 December 2021. Since both HFO and water-blown technologies are low-GWP technologies, the greenhouse gas impact is expected to be negligible.

Recommendation

107. The Executive Committee may wish:

- (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.

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

Background

108. On behalf of the Government of the Lao People's Democratic Republic, UNEP as the lead implementing agency has submitted a request for extension of the implementation of stage I of the HPMP.

109. Stage I of the HPMP was approved at the 63rd meeting²² to meet the 35 per cent reduction from the baseline by 2020, at a total funding level of US \$280,000, plus agency support costs to phase out 0.80 ODP tonnes of HCFCs used in the RAC servicing sector. All three tranches planned in stage I have been approved, with the last tranche approved under the intersessional approval process for the 85th meeting²³ in May 2020. In accordance with paragraph 14 of the Agreement between the Government and the Executive Committee, the project is to be completed by the end of 2021.

110. Several activities included in stage I of the HPMP have been completed; however, due to the impact of the COVID-19 pandemic, the implementation of training programmes for technicians in handling flammable refrigerants and the provision of equipment to training centres planned for the second and third tranches have been delayed. Given the uncertainties in time of recovery from the pandemic, the Government is requesting an extension of the completion date of stage I until 31 December 2022.

²² UNEP/OzL.Pro/ExCom/63/38

²³ UNEP/OzL.Pro/ExCom/85/33

HCFC consumption

111. The HCFC consumption data for 2020 has not yet been submitted under Article 7 of the Montreal Protocol or the country programme implementation report, as the HFC data is still being finalized. However, the Government reported, in the request for extension of stage I, a consumption of 1.42 ODP tonnes of HCFCs in 2020, which is 5 per cent below the HPMP target of 1.50 ODP tonnes for 2020, and 38 per cent lower than the established baseline of 2.30 ODP tonnes. The consumption reported for 2020 demonstrates that the country has achieved the 35 per cent reduction target in compliance with the Montreal Protocol.

Progress report on the implementation of stage I

112. The country has been enforcing the licensing and quota system to control the import of HCFCs. A ban on imports of all CFCs, halon, methyl bromide, and all HCFCs except for HCFC-22, was issued in November 2016. HCFC-22, HFCs and HFC-blends are controlled through the licensing system. A ban on the import and export of HCFC-based chillers with a cooling capacity above 20 refrigeration tonnes has been drafted and is expected to be approved by the end of May 2021 through Ministerial Decision. A ban on the import of all types of HCFC-based equipment is planned to start from 1 January 2023. A total of 184 customs officers and enforcement personnel have been trained in stage I.

113. Training workshops have been conducted and so far 70 master trainers and a total of 247 technicians have been trained in the installation and servicing of RAC equipment, the safe handling of flammable refrigerants, and awareness-raising on maintaining energy efficiency of the equipment through implementation of good service practices. Equipment and tools are being purchased for the Lao-Korea Institute for Skill Development to facilitate the sustainable training of technicians. Efforts are being made to integrate good RAC servicing practices into existing vocational training under the Technical and Vocational Education and Training (TVET) system.

114. Since the approval of the third tranche at the 85th meeting, a SSFA between the Government of the Lao People's Democratic Republic and UNEP to specify legal responsibilities for activity implementation and reporting has been signed and the first payment of US \$11,750 has been advanced. Under the France component, the draft Agreement to purchase equipment and tools for the training centre has been finalized for review and signature. It is expected that the equipment will be delivered by the end of 2021.

115. The Government has been implementing enabling activities for HFC phase-down and HFCs have been included in the licensing and quota system and in country-programme reporting. The Lao People's Democratic Republic ratified the Kigali Amendment on 16 November 2017.

Level of fund disbursement

116. As of April 2020, of the US \$280,000 approved so far, US \$205,000 had been disbursed by UNEP. The US \$45,000 approved for the Government of France has been used for purchasing equipment for the training institute, which is expected to arrive by the end of 2021.

Secretariat's comments

117. The Secretariat notes the efforts undertaken by the Government of the Lao People's Democratic Republic, UNEP and the Government of France to complete the activities planned in the third tranche of stage I of the HPMP by 31 December 2021. Notwithstanding those efforts, it is anticipated that the project will not be completed by the end of 2021 due to delays associated with the COVID-19 pandemic. UNEP explained that the country is experiencing a new wave of COVID-19 which is more severe than in 2020, resulting in major delays in the implementation of activities included in the HPMP. Specifically, the training workshops for technicians (planned for the third tranche) cannot be organized as physical gathering is not

allowed and experts providing technical support cannot travel from abroad; the agreement between the Governments of the Lao People's Democratic Republic and France (bilateral cooperation) has not been signed yet; and the funding transfer modality for procurement of equipment for training centres is pending approval by the Ministry of Planning and Investment, which is occupied with COVID-19.

118. The Secretariat notes that the extension of the completion date of stage I of the HPMP by one year would allow the Government of the Lao People's Democratic Republic, UNEP and the Government of France to complete all the remaining activities included in the HPMP.

Recommendation

119. The Executive Committee may wish:

- (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.

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

Background

120. At its 77th meeting, the Executive Committee approved, in principle, stage II of the HPMP for Malaysia²⁴ for the period 2016 to 2022 to reduce HCFC consumption by 42.9 per cent of its baseline, in the amount of US \$6,138,063, plus agency support costs of US \$429,665 for UNDP.

121. Stage II included funding for the conversion of 67 PU foam enterprises, of which 57 are SMEs, to low-GWP alternatives; an additional 10 non-eligible enterprises had planned to phase out their consumption without support from the Multilateral Fund, leading to complete phase-out of HCFC-141b in the PU foam sector by 1 January 2022. A staged approach was planned, whereby large-sized enterprises with consumption of 20 metric tonnes (mt) or higher would convert to cyclopentane pure or pre-blended in polyol systems,²⁵ and smaller sized enterprises would convert under the second and third tranches to reduced HFO formulations, or potentially methylal.

122. At the 84th meeting, UNDP reported that given concerns about the stable supply of HFO blowing agents and the immediate commercial availability of cyclopentane pre-blended polyol systems from four systems houses in the country, seven SMEs (i.e., Allied Foam, Astino, Century, Gai Hin, Hewgant, Insulated Box, and Roto Speed) were considering changing technology from HFOs to pre-blended cyclopentane; however, the final decision by those SMEs was pending the results of ongoing tests of different formulations. UNDP also confirmed that the enterprises would co-finance any additional costs if they were to decide on the change in technology. During the review process, the Secretariat assessed the

²⁴ UNEP/OzL.Pro/ExCom/77/54.

²⁵ Ten enterprises with consumption above 20 mt completed their conversion to cyclopentane pure or pre-blended in polyol systems by the end of 2019, including Asia Roofing Company whose change of technology to cyclopentane had been noted in decision 84/77(a)(ii).

eligible incremental costs to convert to cyclopentane pre-blended polyol systems, and concluded that there would be no savings associated with such a change in technology. Accordingly, the Executive Committee decided that those enterprises would have flexibility to change technology to pre-blended cyclopentane during implementation, on the understanding that the conversions would not be delayed and any additional costs would be covered by the enterprises; and UNDP would report on this matter when submitting the request for the third tranche of the HPMP (decision 84/77(b)).

123. At the 85th meeting, UNDP reported that those seven SMEs had confirmed their change of technology to pre-blended cyclopentane. At the 85th and 86th meetings, UNDP submitted a request to change the technology for a further 25 SMEs from HFOs to pre-blended cyclopentane polyol systems, which the Executive Committee approved on the understanding that the conversions would not be delayed and any additional costs would be covered by the enterprises (decisions 85/11(b) and 86/27(b)).

Request for change of technology

124. In accordance with paragraph 7(a)(v) of the Agreement between the Government of Malaysia and the Executive Committee, the Government through UNDP has submitted to the 87th meeting a request to change the technology for an additional nine SMEs from HFOs to pre-blended cyclopentane or methylal, as shown in Table 5. An additional two SMEs (Water-Care Industries Sdn Bhd and Composite Truck Body Sdn Bhd, with an aggregated consumption of 10.48 mt) have confirmed that they will remain in the project and will convert to the agreed technology (i.e., reduced HFOs).

Table 5. Nine additional SMEs that requested change to another low-GWP alternative technology at the 87th meeting

Enterprise	Application	Proposed technology	HCFC-141b (mt) in 2015	Approved funding (US \$)
Pipeco FRP Tanks Sdn Bhd	Discontinuous panels	Methylal	8.75	54,340
Poly Unifoam Sdn Bhd	Pipes	Methylal	4.03	28,052
Frigotec Engineering and Refrigeration Sdn Bhd	Transportation	Pre-blended cyclopentane	4.00	27,913
Min Soon Refrigeration Sdn Bhd	Discontinuous panels	Methylal	4.00	27,913
Kitchentech Commercial Supply Sdn Bhd	Commercial refrigeration	Pre-blended cyclopentane	3.50	25,131
Penang Trading Company	Discontinuous panels	Methylal	2.93	21,932
Tech-Kool Refrigeration Sdn Bhd	Transportation	Pre-blended cyclopentane	1.25	12,613
Teck Guan Steel Sdn Bhd	Discontinuous panels	Methylal	0.57	6,000
Wincool Refrigeration and Air-conditioning Sdn Bhd	Commercial refrigeration	Pre-blended cyclopentane	0.44	3,674
Total			29.47	207,568

Request for withdrawal of enterprises and reallocation of funds

125. The 14 remaining SMEs, plus one that had previously been approved for a change in technology at the 85th meeting, have considered conversion to low-GWP alternatives, including cyclopentane pure or pre-blended in polyol systems, reduced HFO formulations, methylal, and water-blown systems. These 15 SMEs have determined that the conversion to a flammable blowing agent is not economical, that pre-blended methylal systems may be flammable as the required methylal content for the enterprises' applications would be 2-5 parts per hundred parts of polyol (php), and that the current cost of HFO systems is prohibitive. Accordingly, the enterprises decided to withdraw from the project and instead planned to convert to HFC in pre-blended polyols (primarily based on HFC-365mfc blowing agent). The 15 enterprises have an aggregated consumption of 19.37 mt and total approved funding of US \$169,281, as shown in Table 6.

Table 6. SMEs that decided to withdraw from stage II of the HPMP

Enterprise	Application	HCFC-141b (mt) in 2015	Approved funding (US \$)
Hong Yun Refrigeration Sdn Bhd	Discontinuous panels	3.13	23,044
Hai-Point Marketing Sdn Bhd	Discontinuous panels	2.60	20,123
Welcome Air-Tech (Malaysia) Sdn Bhd	Discontinuous panels	2.43	19,178
Nobelane Industries Sdn Bhd	Commercial refrigeration	2.40	19,011
Miripoly Industries Sdn Bhd	Thermoware	1.76	15,450
SolidFoam Industries Sdn Bhd	Pipes	1.49	13,920
Lian Pang Refrigeration and Electrical Sdn Bhd*	Commercial refrigeration	1.20	12,334
F&C Equipment Sdn Bhd	Commercial refrigeration	1.10	11,371
O.A.L. Enterprise	Discontinuous panels	1.06	10,916
NKR Continental Manufacturing Sdn Bhd	Commercial refrigeration	0.60	6,167
COOLDEC Industries Sdn Bhd	Discontinuous panels	0.55	5,889
Edwincon Engineering and Trading Sdn Bhd	Pipes	0.50	5,611
BEH Refrigeration and Electrical Works Sdn Bhd	Commercial refrigeration	0.25	2,617
Grandcold Refrigerator and Commercial Products Sdn Bhd	Commercial refrigeration	0.25	2,617
Ban Lee Refrigeration Works	Commercial refrigeration	0.05	1,034
Total		19.37	169,281

* Enterprise had previously been approved for a change in technology (decision 85/11(b)) but has since decided to withdraw from the project.

126. An enterprise with 2015 consumption of 22.3 mt, Thermofoam Marketing Sdn Bhd, had previously been considered ineligible during the preparation of stage II, as it was indicated that the enterprise had been established after the cut-off date of 21 September 2007. No funding had been allocated for the conversion of the enterprise. UNDP has subsequently determined that the enterprise had been established in 2003 under a different name and, therefore, was eligible; on this basis, UNDP requested to reallocate the savings of US \$169,281 from the withdrawal of the 15 SMEs to support the conversion of the enterprise to pre-blended cyclopentane.

Secretariat's comments

127. UNDP confirmed the capability of the enterprises wishing to change technology to safely use pre-blended cyclopentane in five SMEs and methylal in four SMEs. On that basis, the Secretariat undertook a detailed assessment of the eligible incremental costs to convert the nine SMEs, which confirmed that there would be no savings associated with the change in technology. UNDP confirmed that the enterprises would co-finance any additional costs associated with the change in technology. Accordingly, and noting the commercial availability of pre-blended cyclopentane and methylal systems from the four systems houses in the country, the Secretariat recommends approval of the change in technology in the nine SMEs, noting that the date of completion of the conversion of the enterprises would not be delayed due to the change of technology.

128. UNDP reported that while conversions for the 32 SMEs that had previously been approved for changes in technology are progressing, completion of those conversions had been delayed due to disruptions from the COVID-19 pandemic. The Government and UNDP were undertaking best efforts to ensure that all remaining PU foam conversions would be completed by 1 January 2022, in line with the planned ban on the import and use of HCFC-141b contained in pre-blended polyols and the phase-out of uses of HCFC-141b, except in the solvent sector, by 1 January 2022; however, at the time of finalization of the present document, the country was again entering a lockdown due to the COVID-19 pandemic and, therefore, the conversion of the enterprises may be completed after 1 January 2022. UNDP would provide an update on the status of the PU foam manufacturing conversions to the 88th meeting as part of the request for the third tranche of stage II of the HPMP.

129. The 15 SMEs that decided to withdraw from the project have limited technical capability and are therefore likely to benefit from assistance for conversion under the Multilateral Fund. Accordingly, the Secretariat inquired if consideration had been given to a limited delay so that the enterprises could convert to low-GWP alternatives and receive funding under the HPMP. UNDP considered that the barriers for the conversion of these enterprises were likely to persist in the near-term. Moreover, an eligible enterprise that was ready to convert to a low-GWP alternative had been identified and wished to participate in the HPMP. Accordingly, the Government wished to reallocate the savings associated with the withdrawal of the 15 enterprises for the conversion of Thermofoam Marketing Sdn Bhd, and confirmed its understanding that those 15 enterprises would not be eligible for further funding from the Multilateral Fund for the phase-down of HFCs.

130. UNDP confirmed that Thermofoam Marketing Sdn Bhd is fully locally owned and consumed HCFC-141b prior to the eligibility cut-off date of 21 September 2007. Accordingly, the Secretariat undertook a detailed assessment of the eligible incremental costs to convert the enterprise. Consistent with the costs agreed for the other 10 PU foam manufacturing enterprises with 2015 consumption above 20 mt that had converted to cyclopentane pure or pre-blended, the enterprise would be eligible for up to US \$205,818. The Secretariat therefore recommended reallocating the US \$169,281 from the withdrawal of the 15 SMEs included in Table 6 to the conversion of Thermofoam Marketing Sdn Bhd to pre-blended cyclopentane. UNDP confirmed that the enterprise would co-finance the US \$36,537 (i.e., US \$205,818 less US \$169,281) that it would have been eligible to receive plus any additional costs associated with the conversion.

Recommendation

131. The Executive Committee may wish:

- (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.

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

Background

132. At its 84th meeting, the Executive Committee considered the last annual progress report on the implementation of the work programme associated with the fifth and final tranche of the HPMP for Mexico,²⁶ in line with decision 75/29(a).²⁷

133. The report indicated that all investment activities had been completed, activities in the refrigeration servicing sector were about to be completed, the funds associated to one XPS foam enterprise (Plasticos Espumados) that did not participate in the plan were going to be returned to the Fund, and that, in line with the Agreement between the Government and the Executive Committee, stage I of the HPMP was going to be operationally completed by 31 December 2019, and the project completion report (PCR) would be submitted no later than 30 June 2020, in line with decision 82/33(c). Accordingly, the Executive Committee decided *inter alia* to note:

- (a) That the enterprise Plasticos Espumados had not participated in stage I of the HPMP and that the approved funds of US \$683,300 would be returned to the Fund at the 87th meeting upon financial completion of stage I of the HPMP;
- (b) The balance of US \$24 that would be returned by UNIDO at the 85th meeting, and the estimated balance of US \$300,000 and any remaining balance from the servicing sector, which would be returned by UNDP and UNIDO, respectively, at the 87th meeting, upon financial completion of stage I of the HPMP; and
- (c) That UNDP and UNIDO would submit the final report on completion of the remaining activities under stage I of the HPMP as part of the subsequent progress report associated with stage II of the HPMP, and the stage I project completion report no later than 30 June 2020, in line with decision 82/33(c) (decision 84/22).

134. In response to decision 84/22(b) and (c), UNIDO submitted the PCR for stage I of the HPMP on 3 July 2020 and returned remaining balances from its foam and refrigeration servicing sector projects at the 86th meeting,²⁸ consisting of US \$3,615, plus agency support costs of US \$271, from the first tranche²⁹ and

²⁶ The fifth and final tranche of stage I of the HPMP was approved at the 75th meeting at a total cost of US \$1,449,982, consisting of US \$226,317 plus agency support costs of US \$16,974 for UNIDO, and US \$1,122,503 plus agency support costs of US \$84,188 for UNDP.

²⁷ Provision reflected in Annex XII of document UNEP/OzL.Pro/ExCom/75/85 (The Government of Mexico, UNIDO and UNDP were requested 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).

²⁸ Annex IV of document UNEP/OzL.Pro/ExCom/86/4

²⁹ MEX/PHA/64/INV/157

US \$11,701, plus agency support costs of US \$878, from the fifth tranche.³⁰ However, no information was received from UNDP.

Secretariat's comments

135. The Secretariat followed up with UNDP on the return of US \$683,300 from the XPS foam enterprise Plásticos Espumados that did not participate in stage I of the HPMP; US \$300,000 estimated as the balance from the polyurethane foam sector plan; and other balances from completed activities under stage I of the HPMP.

136. UNDP explained that the foam sector plan was operationally completed by the end of 2019, as agreed. However, the on-site verification to conduct the safety evaluation and authorize the last payment to the last converted foam enterprise, which was expected to take place in December 2019, had to be rescheduled to early 2020, due to a fire in the neighbouring plant. Subsequently, due to the constraints associated with the COVID-19 pandemic, UNDP was only able to perform the final inspection and safety audit in early 2021. UNDP confirmed being in the process of financially completing the project and that the funds would be returned to the 88th meeting.

Recommendation

137. The Executive Committee may wish to 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 Plásticos 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)

Background

138. On behalf of the Government of Morocco, UNIDO as the lead implementing agency has submitted the final progress report on the implementation of stage I of the HPMP,³¹ in line with decision 83/57(d).³²

HCFC consumption

139. The Government of Morocco reported under Article 7 of the Montreal Protocol a consumption of 25.23 ODP tonnes of HCFCs in 2020, which is 24 per cent below the Montreal Protocol control target of 33.38 ODP tonnes for that year, and 51 per cent below the established baseline of 51.35 ODP tonnes.

³⁰ MEX/PHA/75/TAS/144

³¹ Approved at the 83rd meeting at a total cost of US \$35,000, plus agency support costs of US \$2,625 for UNIDO.

³² To request the Government of Morocco and UNIDO to submit progress reports on a yearly basis on the implementation of the work programme associated with the third and final tranche until the completion of the project, verification reports until approval of stage II of the HPMP, and the project completion report to the first meeting of the Executive Committee in 2022.

140. The Government submitted sector consumption data under the 2019 country programme implementation report consistent with the data reported under Article 7 of the Montreal Protocol.

Progress report on the implementation of stage I

141. The country has been implementing the licensing and quota system to control the import of HCFCs. An electronic licensing system was launched in 2014 and implemented in 2015, and a ban on pure HCFC-141b was implemented on 1 January 2015 after completion of the foam conversion project at Manar Company. Morocco is preparing to include HFCs in the licensing system under the Kigali Amendment.

142. The implementation of the third tranche is progressing according to plan. Refrigeration and air-conditioning servicing tools have been procured and delivered to the National Ozone Unit. Training of technicians on good servicing practices, new alternative technologies, safety issues and proper management of the flammability of refrigerants during maintenance has been planned and will be conducted once the restrictions on meetings and travel induced by the COVID-19 pandemic are lifted.

143. An additional 16 refrigerant identifiers were procured and delivered to the country in 2020. These refrigerant identifiers will cover the needs of the customs authorities, assist the Refrigeration Association in combating counterfeit refrigerant and support the institute (Institut Spécialisé du Génie Thermique et du Froid) in training customs officers.

144. Training materials on the quality of refrigerants has been updated and translated into Arabic and French. Copies of the materials were provided to the Refrigeration Association for use in training.

Level of fund disbursement

145. As of April 2021, of the US \$335,000 approved so far, US \$316,886 had been disbursed (95 per cent). The remaining US \$18,114 will be disbursed in 2021.

Completion of stage I

146. UNIDO reported that stage I of the HPMP for Morocco will be completed by the end of 2021, in line with paragraph 14 of the Agreement.

Secretariat's comments

147. The Secretariat noted with concern that the verification of 2020 consumption was not submitted. UNIDO explained that it had been planned to recruit a national consultant to carry out the verification. Due to the lack of available local consultants, this could not be done in the first quarter of 2021. The verification report will be submitted to the 88th meeting together with the request for stage II of the HPMP. The Secretariat considers important to have verified 2020 consumption data when considering stage II of the HPMP. Therefore, if the verification report is not submitted to the 88th meeting, stage II of the HPMP should not be considered.

148. While reviewing the progress report of stage I, the Secretariat noted an oversight in the revised Agreement between the Government of Morocco and the Executive Committee. The targets for 2020 in Appendix 2-A of the Agreement were higher than those required by the Montreal Protocol phase-out schedule. This was discussed with the Government through UNIDO and it was agreed to adjust Appendix 2-A of the updated Agreement as contained in Annex X of document UNEP/OzL.Pro/ExCom/83/48,³³ as follows³⁴:

³³ Report of the Eighty-third meeting of the Executive Committee

³⁴ As also reflected in corrigendum UNEP/OzL.Pro/ExCom/83/48/Corr.3

- (a) To replace the figures of 43.33 ODP tonnes and 41.08 ODP tonnes in row 1.1 and row 1.2, respectively with 33.38 ODP tonnes for 2020;
- (b) To replace the figure of 2.57 ODP tonnes in row 4.1.1 with 12.50 ODP tonnes;
- (c) To replace the figure of 43.31 ODP tonnes in row 4.1.3 with 33.38 ODP tonnes; and
- (d) To replace the figure of 8.10 ODP tonnes in row 4.3.3 with 7.90 ODP tonnes.

Recommendation

149. The Executive Committee may wish to 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)

Background

150. On behalf of the Government of the Nepal, UNEP as the lead implementing agency has submitted a request for extension of the implementation of stage I of the HPMP.

151. Stage I of the HPMP was approved at the 62nd meeting,³⁵ to meet the 35 per cent reduction from the baseline by 2020, at a total funding level of US \$210,000, plus agency support costs to phase out 0.64 ODP tonnes of HCFCs used in the RAC servicing sector. All three tranches planned in stage I have been approved, with the last tranche approved under the intersessional approval process for the 86th meeting³⁶ in October 2020. In accordance with paragraph 14 of the Agreement between the Government of Nepal and the Executive Committee, the project is to be completed by 31 December 2021.

152. The implementation of stage I is progressing. The first tranche has been completed and most of the proposed activities in the second tranche have been implemented. However, due to the impact of the COVID-19 pandemic, the implementation of some activities, especially training workshops for customs and enforcement officers and RAC servicing technicians, the incentive programme, workshops to promote refrigerant recovery/reuse, and procurement of refrigerant identifiers have been delayed. Given the uncertain timing of post-COVID-19 recovery, the Government is requesting an extension of the implementation of stage I until 31 December 2022.

HCFC consumption

153. The country programme implementation report submitted by the Government of Nepal shows a consumption of 0.41 ODP tonnes of HCFCs in 2020, which is 43 per cent below the 0.72 ODP tonnes under the Agreement with the Executive Committee, and 63 per cent lower than the baseline of 1.1 ODP tonnes.

³⁵ UNEP/OzL.Pro/ExCom/62/42.

³⁶ UNEP/OzL.Pro/ExCom/86/63.

Progress report on the implementation of stage I

154. The country has been enforcing the licensing and quota system to control the import of HCFCs and there is a licensing requirement to import HFCs and HFC-blends. The import of ODS other than HCFCs has been banned since 2010 and the import of HCFC-based equipment has been banned since 1 January 2017. A total of 210 customs and enforcement officers have been trained in procedures for ODS import control. The manual on the national regulations and the import and export licensing system was amended in 2015 and the country began implementing the HS Codes for identification of HCFC and HFC blends in May 2020. Two regional border dialogues were conducted with neighbouring countries (e.g., Bangladesh, Bhutan, China, India and Myanmar). Two refrigerant identifiers were provided, one to the Customs Department and the other to the NOU. Eighty-six units of residential HCFC-based air-conditioners were replaced with HFC-32-based and R-290-based equipment. Equipment and tools were distributed to 30 servicing workshops/technicians and to technical training institutes in eight provinces.

155. Since the approval of the third tranche of stage I, a small-scale funding agreement between the Government and UNEP and a Letter of Agreement between the Government and UNDP were signed to specify responsibilities for activity implementation and reporting, and the first payment under each agreement is expected in June 2021. Furthermore, agreements signed to complete activities in the second tranche were extended up to 31 December 2021.

Level of fund disbursement

156. As of April 2020, of the US \$210,000 approved so far, US \$103,900 had been disbursed by UNEP and US \$64,516 by UNDP; in addition, US \$9,500 from UNEP and US \$11,084 from UNDP have been committed to complete the second tranche implementation.

Secretariat's comments

157. The Secretariat notes the efforts undertaken by the Government of Nepal, UNEP and UNDP to complete the activities planned in the second and third tranches of stage I by 31 December 2021. Notwithstanding those efforts, it is anticipated that the project will not be completed by the end of 2021 due to delays associated with the COVID-19 pandemic. The country expects that working in the office and organizing physical meetings would be authorized in September 2021. The respective agreements between the implementing agencies and the Government to implement the second tranche have been renewed, and agreements for the third tranche were recently signed, with the first disbursements expected in June 2021. The extension of one additional year would allow the Government, UNEP and UNDP to complete the remaining activities in the third tranche.

Recommendation

158. The Executive Committee may wish:

- (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.

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)

Background

159. On behalf of the Governments of the Cook Islands, Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu (hereinafter referred to as the Pacific Island Countries (PICs)), UNEP as the designated implementing agency has submitted a request for extension of the implementation of stage I of the HPMP.

160. Stage I of the HPMP for the PICs, was approved at the 63rd meeting,³⁷ to meet the 35 per cent reduction for the implementation period 2011 to 2020, at a total cost of US \$1,696,000 plus agency support costs.

161. Stage I of the HPMP includes the following:

- (a) *Regional component:* Standardized activities in all 12 PICs such as the provision of policy advice and development of legislation/regulations, capacity building of customs officers and RAC master trainers, and HCFC phase-out awareness and outreach; and
- (b) *National component:* Specific activities in each PIC to control the supply and demand of HCFCs, create an enabling environment for the phase-out of HCFCs and the introduction of alternatives and the management, coordination and monitoring of HPMP implementation.

162. The third and final tranche, at the amount of US \$186,100, and the corresponding 2020-2021 tranche implementation plan were approved under the intersessional approval process for the 85th meeting³⁸ in May 2020. In accordance with paragraph 14 of the Agreement between the Governments and the Executive Committee, stage I is to be completed by the end of 2021. Stage II of the HPMP for the complete phase-out of HCFCs was approved under the intersessional approval process for the 86th meeting³⁹ in December 2020.

163. In the progress report on stage I implementation submitted with the stage II proposal, UNEP reported that the activities for the third and final tranche had not yet started, as of August 2020 the PICs were still under a state of emergency due to the COVID-19 pandemic. It was anticipated that stage I would be completed by 31 December 2021, barring further delays that may be due to the pandemic.

HCFC consumption

164. The Governments of the PICs reported under CP implementation report a consumption of 0.14 ODP tonnes of HCFC in 2020, which is 96 per cent below the HCFC baseline for compliance and 94 per cent below the allowable level of consumption in the Agreement with the Executive Committee. The Article 7 data for 2020 has not been reported by a number of PICs yet. The 2016-2020 HCFC consumption is shown in Table 7.

³⁷ UNEP/OzL.Pro/ExCom/63/46 and Annex XXI of document UNEP/OzL.Pro/ExCom/63/60.

³⁸ UNEP/OzL.Pro/ExCom/85/42

³⁹ UNEP/OzL.Pro/ExCom/86/67

Table 7. HCFC consumption in the PICs (2016-2020 Article 7 data)

HCFC-22	2016	2017	2018	2019	2020 ^e	Baseline
Metric tonnes (mt)						
Cook Islands	0.00	0.00	0.00	0.00	0.00	0.86
Kiribati	0.44	0.39 ^a	0.22	0.45	0.07	0.97
Marshall Islands	0.00	0.00	0.00	0.00	0.00	3.99
Micronesia (Federated States of)	0.73	0.07	0.00	1.82	0.00	2.55
Nauru	0.15	0.00	0.00	0.00	0.00	0.18
Niue	0.00	0.00	0.00	0.00	0.00	0.15
Palau	2.11	1.80	1.20	0.13	0.06	2.97 ^c
Samoa	1.05	1.35	0.23	0.19	0.78	4.60
Solomon Islands	2.17	4.20	3.63	1.49	1.47	35.05 ^c
Tonga	0.04	0.10	0.09	0.02	0.02	2.55 ^c
Tuvalu	0.12	0.20	0.03	0.00	0.03	1.64
Vanuatu	0.00	0.22	0.29	0.22 ^b	0.00	5.11 ^c
Total (mt)	6.81	8.33	5.68	4.32	2.43	60.62
ODP tonnes						
Cook Islands	0.00	0.00	0.00	0.00	0.00	0.10
Kiribati	0.02	0.02 ^a	0.01	0.02	0.00	0.10
Marshall Islands	0.00	0.00	0.00	0.00	0.00	0.20
Micronesia (Federated States of)	0.04	0.00	0.00	0.10	0.00	0.20
Nauru	0.01	0.00	0.00	0.00	0.00	0.00 ^d
Niue	0.00	0.00	0.00	0.00	0.00	0.00 ^d
Palau	0.12	0.10	0.07	0.01	0.02	0.20 ^c
Samoa	0.06	0.07	0.01	0.01	0.04	0.30
Solomon Islands	0.12	0.23	0.20	0.08	0.08	2.00 ^c
Tonga	0.00	0.01	0.00	0.00	0.00	0.10 ^c
Tuvalu	0.01	0.01	0.00	0.00	0.00	0.10
Vanuatu	0.00	0.01	0.02	0.01 ^b	0.00	0.30 ^c
Total (ODP tonnes)	0.38	0.45	0.31	0.23	0.14	3.60

^a Including 0.13 mt (0.003 ODP tonnes) of HCFC-124.

^b Including 0.002 mt (0.0001 ODP tonnes) of HCFC-142b and 0.003 mt (0.0001 ODP tonnes) of HCFC-124.

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

^d Very low consumption; rounding of figures to two digits shows zero consumption.

^e CP data

Progress report

165. UNEP reported that travel restrictions, lock-down measures and other restrictions associated with the COVID-19 pandemic have continued to delay the implementation of proposed activities; additionally, due to the limited number of Government officers in some of the PICs, staff from some of the NOUs had been assigned to undertake COVID-19 related tasks as an emergency measure, which further delayed implementation. Activities have been impacted as follows:

- (a) *Regional component:* The regional training workshop for customs authorities on development of the ODS risk profiling system and development of standard operating procedures could not be organized. A virtual workshop was not a viable option because of the time difference among the 12 PICs which would limit attendance; countries also preferred a physical workshop to ensure substantive engagement of the NOUs.
- (b) *National component:* Activities have been slow to start, with most customs and RAC technician training workshops, stakeholder meetings, and awareness activities still in the planning stages. In the Federated States of Micronesia, one workshop for 15 customs

officers was held, and in Samoa one workshop for 24 customs officers and one for 20 customs brokers were completed.

166. Due to these delays, the PICs through UNEP are requesting for an extension of the implementation period of stage I of the HPMP until 31 December 2022. To support this request, UNEP provided a detailed work plan for the remaining activities for each country, with the view to ensure that the remaining activities will be completed by that time.

Level of fund disbursement

167. As of April 2021, of the US \$1,696,000 approved, US \$1,363,931 had been disbursed as shown in Table 8. The first payments for the third and final tranche (US \$7,660) were released to all 12 PICs by mid-October 2020.

Table 8. Financial report of stage I of the HPMP for the PICs (US \$)

Component	First tranche		Second tranche		Third tranche		Total	
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed
National	739,375	739,375	530,525	376,896	141,100	7,660	1,411,00	1,123,931
Regional	134,000	134,000	106,000	106,000	45,000	0	285,000	240,000
Total	873,375	873,375	636,525	482,896	186,100	7,660	1,696,000	1,363,931
Disbursement rate (%)	100		76		4		80	

Secretariat's comments

168. Despite efforts by the Governments of the PICs and UNEP, there has been limited progress in the implementation of activities for the third and final tranche of stage I of the HPMP due to the COVID-19 pandemic. While noting their efforts, the Secretariat considers it unlikely that the activities will be completed by the end of December 2021; the extension of one additional year would allow the Governments and UNEP to complete the remaining activities in the third tranche.

169. The Secretariat also notes that based on previous tranche approvals, the PICs have demonstrated a commitment to ensure the timely implementation of activities, and that past progress reports show substantive progress in implementation, confirming that the causes for current delays were beyond the countries' control. Furthermore, agreements have been signed with the individual countries⁴⁰ ensuring that funds are available in those countries for the remaining activities.

170. The Secretariat further notes the detailed work plan submitted by UNEP for the remaining activities, confirming that some activities will be implemented where possible, while training activities which require expert support and presence will be completed by December 2022.

Recommendation

171. The Fund Secretariat may wish:

- (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;

⁴⁰ Except for Nauru and Niue which agreed that all approved funds under the third (final) tranche would be retained by UNEP to support the travel of experts to deliver the local training workshop or trainees from Nauru/Niue to attend the workshop in other countries under the south-south cooperation framework.

- (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.

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)

172. On behalf of the Government of the Philippines, UNIDO, as the designated implementing agency, has submitted a request to cancel the air-conditioning (AC) manufacturing sector plan of stage II of the HCFC phase-out management plan (HPMP),⁴¹ and to update the Agreement between the Government and the Executive Committee. The submission includes a progress report on the implementation of the first tranche, the verification report on HCFC consumption for 2016 to 2020, and the tranche implementation plan for 2021 to 2022.

HCFC consumption

173. The Government of the Philippines reported a consumption of 50.62 ODP tonnes of HCFC in 2020, which is 69 per cent below the HCFC baseline for compliance. The 2016-2020 HCFC consumption is shown in Table 9.

Table 9. HCFC consumption in the Philippines (2016-2020 Article 7 data)

HCFC	2016	2017	2018	2019	2020*	Baseline
Metric tonnes (mt)						
HCFC-22	1685.12	1653.69	1615.61	1643.24	843.69	1,959.45
HCFC-141b	158.55	183.46	144.5	110.98	18.90	475.05
HCFC-142b	0.00	0.00	0.00	0.00	0.00	3.99
HCFC-123	263.06	57.13	57.4	57.13	106.66	84.38
HCFC-225ca	0.21	0.31	0.15	0.38	0.00	0.17
HCFC-225cb	0.21	0.31	0.16	0.38	0.00	0.17
Total	2,106.73	1,894.28	1,817.51	1,811.36	969.25	2,523.21
ODP tonnes						
HCFC-22	92.68	90.95	88.86	90.38	46.40	107.77
HCFC-141b	17.44	20.18	15.90	12.21	2.08	52.26
HCFC-142b	0.00	0.00	0.00	0.00	0.00	0.26
HCFC-123	5.26	1.14	1.15	1.14	2.13	1.69
HCFC-225ca	0.01	0.01	0.00	0.01	0.00	0.00
HCFC-225cb	0.01	0.01	0.01	0.01	0.00	0.00
Total	115.38	112.28	105.90	103.73	50.62	161.98

* Data from the verification report on HCFC consumption.

174. From 2016 to 2019 there was a gradual decline in the overall consumption of HCFCs; in 2020 consumption of HCFC-22 and HCFC-141b was sharply reduced which was attributed to the economic decline caused by the COVID-19 pandemic, the ban on the importation of HCFC-22 for use in the refrigeration and air-conditioning (RAC) manufacturing sector⁴² in effect as of 1 January 2020; and the

⁴¹ Stage II of the HPMP was approved at the 80th meeting to meet a 50 per cent reduction in HCFCs by 2021 at a total cost of US \$2,750,057 plus agency support costs of US \$192,504 for the World Bank. At the 83rd meeting the Agreement was revised to transfer to UNIDO all the phase-out activities included in stage II (Annex IV of document UNEP/OzL.Pro/ExCom/83/48).

⁴² DAO 2013-25 also known as the Revised Chemical Control Order for ODS

introduction of HFC-based RAC equipment. The increase in the consumption of HCFC-123 in 2020 was due to a request from an importer for an increased quota allocation in exchange for a corresponding deduction in the importer's quota for HCFC-141b. The Government implemented a ban on the use of HCFC-141b in the foam manufacturing sector starting 1 January 2015; however, importation for HCFC-141b is still allowed for use in the servicing sector. Small quantities of HCFC-225ca and HCFC-225cb were used for cleaning refrigeration systems.

Country programme (CP) implementation report

175. The Government of the Philippines reported HCFC sector consumption of 63.20 ODP tonnes under the 2020 CP implementation report which is inconsistent with the data reported under Article 7 of the Montreal Protocol. UNIDO explained that the consumption reported under the CP report for HCFC-22 (56.02 ODP tonnes) and HCFC-141b (6.52 ODP tonnes) included stockpiles from previous years.

Verification report

176. The verification report confirmed that the Government of the Philippines is implementing a licensing and quota system for HCFC imports and exports and that minor differences were found between the verified consumption for 2016, 2017, and 2018 and the data reported under Article 7 of the Montreal Protocol, as shown in Table 9 above (i.e., the verified data had a difference of -0.1, +0.61 and -0.03 ODP tonnes, respectively, attributed to rounding). The verification concluded that ODS consumption data is accurately reported; however, the verifier recommended that the Government revise the online licensing and monitoring system to include an early warning system to detect illegal trade, where imports without licences will be automatically flagged by the system, and the expansion of the system to include HFCs. These recommendations will be taken into account during the implementation of the remaining activities for the HPMP.

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

Legal framework

177. The HCFC import licensing and quota system has been operational since 2004. The Environmental Management Bureau (EMB) through the Philippine Ozone Desk (POD) establishes the annual import quotas for HCFCs in coordination with the Bureau of Customs. A certification scheme for technicians, and a Harmonized Code system and labelling requirements were introduced into the regulations in 2013; a ban on the import/export of HCFC-141b in the foam manufacturing sector and contained in imported pre-blended polyols has been in place from 1 January 2015; and a ban on the importation of HCFC-22 for use in the RAC manufacturing sector has been in place since 1 January 2020. Importers of non-ODS alternatives (i.e., HFCs) have been required to obtain a pre-shipment importation clearance since 2005, but there are currently no limits set for the import amount.

178. Three training sessions for 70 customs and enforcement officers were held on the Montreal Protocol, the need for verification and vigilance during inspection and monitoring of actual imports, and on the use of refrigerant identifiers; a fourth training for 100 customs and regulatory officers was held online during the COVID-19 pandemic. As a result of these trainings, the Philippines joined the Informal Prior Informed Consent (iPIC) network. The training handbook for customs and enforcement officers was reviewed and updated in 2020. Twenty-three refrigerant identifiers were procured which will be distributed to regional customs offices.

179. Three online meetings were held with registered importers to discuss the online registration system and annual data reporting requirements. The terms of reference were drafted for an information technology consultant to upgrade the licensing and data management system. Two coordination meetings with Government departments regarding ODS policy and regulations were held. Recommendations from the

verification report will be taken into account by the NOU and the Customs authority when reviewing the overall system of monitoring imports of ODS and other controlled substances in order to adjust it as necessary to make it more effective.

Manufacturing sector

180. Stage II of the HPMP included the conversion of four HCFC-22-based AC manufacturing enterprises (i.e., Concepcion Carrier, Hitachi, Koppel, and Panasonic) to HFC-32 technology, that would result in the phase-out of 15.57 ODP tonnes (283.12 mt) of HCFC-22, at an agreed cost of US \$1,793,307, plus agency support costs.⁴³

181. UNIDO indicated in the tranche request submitted to the 87th meeting the beneficiary enterprises converted to R-410A technology on their own in the beginning of 2019 and that the HCFC-22 consumption associated with these enterprises has been phased out. The Government of the Philippines also indicated that these enterprises may be included as part of the HFC phase-down plan if eligible for funding in the context of decision XXVIII/2.

182. Conversion of these enterprises was significantly delayed due to changes in the management and structure of the POD, and to the change in the designated agency. In 2019, two enterprises (Panasonic and Hitachi) indicated that they had nearly phased out HCFC-22 through conversion to R-410A technology with their own resources; subsequent discussions with the other two enterprises (Concepcion and Panasonic) also indicated that they had also nearly completed their conversion to R-410A technology with their own resources.

183. Through an official communication on 19 May 2021, the Government of the Philippines, after technical evaluation of the current situation in the AC manufacturing sector, requested that UNIDO⁴⁴ cancel the project for the conversion of the four AC manufacturing enterprises and to return the balance to the Multilateral Fund.

184. In addition to the funding for the conversion of the four enterprises, US \$211,000 was approved as technical assistance and support for the manufacturing sector, to support the safe handling of AC equipment using flammable refrigerants. This funding for technical assistance will continue to be included in the remaining funds for stage II of the HPMP and will be used to support the RAC sector to explore the use of lower-GWP equipment and encourage their uptake in the market.

Refrigeration servicing sector

185. The change in the designated implementing agency and constraints imposed by the COVID-19 pandemic, has resulted in major delays in the implementation of the activities under the refrigeration servicing sector. Discussions were initiated with the recycling centre regarding the implementation of the collection of HCFCs and other refrigerants.

Project implementation and monitoring

186. Of the US \$75,000 allocated to the project management unit (PMU) for the first tranche, US \$25,500 was disbursed on project staff (US \$17,500) and consulting services and recruitment of experts (US \$8,000).

⁴³ UNEP/OzL.Pro/ExCom/80/48

⁴⁴ As per the letter forwarded from the Department of Environment and Natural Resources of the Philippines to UNIDO.

Level of fund disbursement

187. As of May 2021, of the US \$1,010,023 approved so far, US \$201,438 (21 per cent) had been disbursed; no funding was disbursed for the conversion of the four AC manufacturing enterprises.

Adjusted funding

188. After deducting the funding for the AC manufacturing sector plan (US \$1,793,307) and removing the funding component of the PMU associated with the RAC sector (US \$145,000), the total funding remaining for stage II is US \$811,750, plus agency support costs of US \$56,823. UNIDO will return US \$212,152 from the funding already provided in the first tranche to the Multilateral Fund including agency support costs, as shown in Table 10 below:

Table 10. Revised funding for stage II of the HPMP for the Philippines (US \$)

Funding component	Approved costs for stage II	Amount to be removed from Agreement	Revised project costs for stage II	Approved in first tranche	Return to the Fund
Conversion project in manufacturing enterprises	1,793,307	1,793,307	0	642,783	-642,783
Technical assistance for enterprises	211,000	0	211,000	99,146	111,854
Phase-out activities in the servicing sector	525,750	0	525,750	193,094	332,656
PMU	220,000	145,000	75,000	75,000	0
Total project cost	2,750,057	1,938,307	811,750	1,010,023	-198,273
Agency support costs	192,504	135,681	56,823	70,702	-13,879
Total agreed costs	2,942,561	2,073,988	868,573	1,080,725	-212,152

Revised implementation plan for stage II of the HPMP

189. UNIDO provided a revised plan to be implemented between 2021 and 2022, as follows:

- (a) Technical assistance for policy/enforcement and customs authorities
 - (i) Four stakeholder meetings with 100 participants to develop minimum energy performance standards for RAC equipment that would facilitate transition to energy efficient air-conditioners and would encourage the uptake of low-GWP refrigerants; discourage the demand of HCFC-based AC through issuance of a Circular to notify AC market suppliers that any AC model containing HCFC-22 cannot be registered and sold in the Philippines market from January 2023 (US \$10,000);
 - (ii) Five workshops for 150 customs and enforcement officers on the monitoring of ODS imports, trade control of HCFCs and illegal imports; update of training materials used in customs training; review of the online licensing system to include recommendations from the verification report to include an early warning system to detect illegal trade; two training workshops on effective enforcement of the licensing and quota system for 55 participants from the Government and distributors/suppliers of refrigerants (US \$107,410);
 - (iii) Assessment of the data management system to include requirements for the registration of RAC service providers and enhance the management of the online licensing system; two meetings with 15 distributors and suppliers of HCFCs and

HCFC-based equipment to discuss requirements for registration and data reporting (US \$22,000);

- (iv) Verification of HCFC consumption and HPMP implementation (US \$3,500)
- (b) Technical assistance for the servicing sector to promote good refrigeration practices, and to demonstrate and encourage the use of low-GWP alternatives
- (i) Training 100 RAC technicians on good refrigeration practices to minimize refrigerant leaks from equipment and safety considerations for flammable refrigerants; technical support for the central recycling centre; collection of HCFCs and other refrigerants; review of the disposal options for unused and unwanted controlled substances, and three stakeholder meetings and three coordination meetings; and hiring of two consultants (US \$138,000);
 - (ii) Continue updating training capacity of the Technical Education and Skills Development Authority (TESDA) and TESDA-accredited institutions to strengthen the technician certification and training programme through the development of new material and of a new code of practice on the handling of flammable alternatives for HCFC-22 (i.e., HFC-32, R-290) to ensure that technicians are prepared when uptake of these increases; develop new training material for alternatives for HCFC-141b for flushing in the servicing sector; train at least 25 trainers on the new service code of practice; and five training workshops for 125 service technicians for certification on the handling of low-GWP alternatives for HCFC-22 (i.e. HFC-32 and R-290) and on alternatives for HCFC-141b (US \$84,000);
 - (iii) A study on the potential alternatives to HCFC-225ca and HCFC-225cb for cleaning refrigeration systems and to HCFC-123 for firefighting; informing and educating stakeholders on the alternatives and cost-effectiveness through two workshops for a total of 40 participants (US \$30,000); a study to identify where HCFC-141b is used as a solvent and to recommend alternatives for flushing and two training workshops for 60 participants on the findings; (US \$50,000);
- (c) Technical assistance to promote low-GWP alternatives for the RAC sector (US\$106,902)
- (i) Three workshops for 100 AC manufacturers, importers, end-users to provide information and demonstrate, encourage, and promote the use of low-GWP alternatives in the RAC sector;
 - (ii) Development of a market study on the current situation in the Philippines for the AC sector looking at the availability, technical feasibility and potential environmental and economic benefits for transitioning to low-GWP alternatives both in the manufacturing and import categories;
 - (iii) Preparation of a pilot online training programme to be publicly available on the e-learning websites specifically on the safe handling of flammable, toxic, and high-pressure refrigerants targeted towards manufacturing enterprises, technicians, end-users, importers and other relevant stakeholders to support the uptake of these alternatives, with the view to including this in the overall servicing technician training programme; and

- (d) PMU (US \$49,500): for the overall implementation and monitoring of activities including the hiring of a coordinator; stakeholder coordination and survey experts (US \$29,500); information dissemination on various topics related to the stage II implementation (US \$10,000); an expert to implement the gender policy of the Multilateral Fund consistent with UNIDO's guide for gender mainstreaming in Montreal Protocol projects; and continue implementation of general awareness raising programmes (US \$10,000).

Secretariat's comments

Removal of the AC sector plan from stage II

190. UNIDO, on behalf of the Philippines had originally submitted the request for the release of the second tranche of stage II of the HPMP. In reviewing the request, the Secretariat noted that there continued to be considerable challenges associated with the AC manufacturing sector plan, where two of the four beneficiary enterprises had formally requested to be removed from the plan as they had converted to R-410A technology with their own resources, and that while the two remaining enterprises continued to be interested in converting to HFC-32, they had also started their conversion to R-410A. Since UNIDO and the Government of the Philippines had not yet disbursed any funds to these enterprises, after further technical consideration of the feasibility of continuing these conversions, the Government of the Philippines requested the cancellation of the AC manufacturing sector plan. UNIDO indicated that the Government continues to be on track to implement the ban on the import of HCFC-22-based AC with cooling capacity of less than 36,000 BTU/hour from January 2022.

191. UNIDO further indicated that US \$212,152 consisting of US \$53,273 and the PMU costs of US \$145,000, associated with the AC manufacturing sector plan, plus agency support costs of US \$13,879 for UNIDO will be returned to the 89th meeting.

Revised plan of action and funding distribution for stage II of the HPMP

192. The Secretariat noted that the action plan provided by UNIDO was a continuation of those activities that were approved as part of the first tranche, and included those that will be implemented throughout the remaining duration of stage II. These activities will support the country to maintain the reduction in HCFC consumption through the application of good servicing practices; the upgrading of training provided through TESDA institutes; the promotion of HCFC alternatives and technician training on the safe handling of flammable refrigerants including HFC-32; the strengthening of the licensing and quota system through improved data management and customs training; and a new regulation that prohibits the registration of HCFC-22-based equipment starting in 2021. There is no more funding tranche associated with stage II of the HPMP for the Philippines. The Philippines will also continue technical assistance to the AC sector to encourage and promote the use of low-GWP alternatives, noting that due to the lack of technical information, R-410A equipment is broadly used in the Philippines because of the inverter technology which reduces energy costs for end-users; providing technical information on the benefits of lower-GWP technology that also uses inverter technology (i.e, HFC-32) and other alternatives like R-290 to all stakeholders, a planned market analysis, and the ban on the imports of HCFC-based equipment expected to commence in January 2022, will support the market uptake of alternatives.

193. Stage II of the HPMP is expected to be completed as per the Agreement with the Executive Committee by 31 December 2022. UNIDO indicated that stage III of the HPMP will be submitted to the 89th meeting.

Revision to the HPMP Agreement

194. In view of the removal of the AC manufacturing sector plan from stage II of the HPMP and the revised funding schedule, as shown in Table 11 below, Appendix 2-A of the Agreement between the

Government of the Philippines and the Executive Committee has been updated, and paragraph 17 has been updated to indicate that the revised updated Agreement supersedes that reached at the 83rd meeting, as contained in Annex IV to the present document. The full updated Agreement will be appended to the final report of the 87th meeting.

Table 11. Revised funding tranche distribution for stage II of the HPMP for the Philippines

Particulars	2017	2018	2019	2020	2021	Total
Original						
Agreed funding	1,010,023	0	1,450,029	0	290,005	2,750,057
Support costs	70,702	0	101,502	0	20,300	192,504
Total agreed costs	1,080,725	0	1,551,531	0	310,305	2,942,561
Revised						
Agreed funding	811,750	0	0	0	0	811,750
Support costs	56,823	0	0	0	0	56,823
Total agreed costs	868,573	0	0	0	0	868,573

Recommendation

195. The Executive Committee may wish:

- (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 IV to document UNEP/OzL.Pro/ExCom/87/9, 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;
- (b) 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;
- (c) To approve the tranche implementation plan for 2021-2022 for all remaining stage II activities;
- (c) 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.

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)

Background

196. On behalf of the Government of Uruguay, UNDP as the designated implementing agency has submitted a request for extension of the implementation of stage II of the HCFC phase-out management plan (HPMP), and a progress on the implementation of the conversion of the foam enterprises and the availability of HFO/HFO-based PU systems and their associated components as requested by the Executive Committee under the intersessional approval process for the 85th meeting (85-IAP)⁴⁵ in May 2020.

197. Stage II of the HPMP, was approved at the 77th meeting,⁴⁶ to meet the 35 per cent reduction from its baseline in 2020, at a total cost of US \$1,105,157, plus agency support costs. Stage II of the HPMP included a component for the complete phase-out of HCFC-141b contained in imported pre-blended polyols (i.e., 5.33 ODP tonnes) used in 21 SMEs manufacturing PU foam applications. The technology selected is based on HFO-formulations.

198. The third and final tranche of stage II, at the amount of US \$111,268, and the corresponding 2020-2021 tranche implementation plan were approved under the 85-IAP. In accordance with paragraph 14 of the Agreement between the Government and the Executive Committee, stage II is to be completed by 31 December 2021. Stage III of the HPMP for the complete phase-out of HCFCs was approved under the 86-IAP⁴⁷ in December 2020.

199. In the progress report submitted at the 86th meeting, UNDP reported that only one foam enterprise (James) has converted to cyclopentane with an associated phase-out of 1.02 ODP tonnes (9.3 mt) of HCFC-141b; the other SMEs had not initially been able to convert due to limited local availability of HFO to support the conversions. A technical expert had been hired to work with each enterprise to determine specific requirements, and discussion were held with suppliers who could provide small amounts of HFO-systems given the small size of the local market for such alternatives. A testing protocol was developed to ensure that the HFO-blown foams comply with all the technical requirements of the SMEs, to provide information to interested local systems suppliers and promote the adoption of such systems. Testing and trials of HFO technology were planned for the first quarter of 2020; however, these activities had been delayed by the COVID-19 pandemic. It was expected that barring further delays due to COVID-19 the conversion of the foam enterprises would be completed by June 2021, and that HFO-systems would be available in the local market soon after.

HCFC consumption

200. The Government of Uruguay reported a consumption of 14.08 ODP tonnes of HCFC in 2019, which is 40 per cent below the HCFC baseline for compliance. The Article 7 data and country programme data for 2020 have not yet been reported.

Progress report

PU foam manufacturing sector

201. The status of the conversion project is summarized in Table 12.

⁴⁵ UNEP/OzL.Pro/ExCom/85/52

⁴⁶ UNEP/OzL.Pro/ExCom/77/67 and Annex XXIV of document UNEP/OzL.Pro/ExCom/77/76.

⁴⁷ UNEP/OzL.Pro/ExCom/86/80

Table 12. Summary of progress in the foam sector conversion project

Subsector	No. enterprises	Consumption		Status
		mt	ODP tonnes	
Water heaters	5	13.07	1.44	<ul style="list-style-type: none"> • Conversion of one company (James) to cyclopentane is completed. • Meetings were held and test protocols shared with two companies (Rivomark S.A. and Warners). One conversion has started and is expected to be completed by the end of 2021, and the other is expected to begin as soon as the pandemic is under control. • Conversion of two companies (IMA and Orion) are on stand-by depending on the production output post COVID-19.
Discontinuous panels	1	1.04	0.11	<ul style="list-style-type: none"> • Conversion (Colder) is on stand-by depending on the production output post COVID-19.
Thermoware	1	0.12	0.01	<ul style="list-style-type: none"> • Meetings held with the company (Ferroco) and test protocols shared, a new water-based system has been identified as suitable; the company is waiting for the supplier to import a sample for testing to adjust the dosage ratio.
Integral skin	1	0.28	0.03	<ul style="list-style-type: none"> • Conversion (Fumaya) is on stand-by depending on the production output post COVID-19.
Spray	12	35.62	3.92	<ul style="list-style-type: none"> • Progress has been made with some companies in importing HFO-based systems, but results on performance tests were not satisfactory as the foam did not meet the current requirements. Additional tests have been delayed due to the pandemic.
Flotation	1	0.10	0.01	<ul style="list-style-type: none"> • Conversion (Nolan) is on stand-by depending on the production output post COVID-19
Total	21	50.23	5.53	

202. The NOU, with support of UNDP and a foam expert, is working with different systems houses around the region and with local distributors to facilitate samples of HFO-based PU system, while exploring options such as receiving HFO-based PU system without the catalyst and blending it in-place, or trying other low-GWP alternatives (such as water-based systems). Currently, the five importers/distributors of foam blowing agents in the country are assessing different alternatives to HCFC-141b contained in imported pre-blended polyols including water-blown- and HFO-based systems. The NOU is working very closely with these importers to ensure the supply of these alternatives, noting that as a consequence of the pandemic, there are logistical constraints in obtaining the raw materials, which has led to a shortage of polyols and other components, as well as a drastic increase in the freight costs.

Refrigeration servicing sector

203. From March 2020 to April 2021, the following activities were implemented:

- (a) Meetings with the Ministry of Industries to establish technical recommendations to encourage the use of alternatives to ODS in new investment projects through financial incentives;
- (b) Meetings with importers of HCFC and HCFC-based equipment to assess the market trends and share information on import controls, phase-out dates and activities related to the

HPMP; and a review of tariff codes and the classifications of refrigeration and air-conditioning (RAC) equipment to improve import controls was completed;

- (c) Information exchange between the customs authorities in Argentina, Paraguay and Uruguay, and advice and guidance on control measures on the import of HCFC;
- (d) Two webinars for 262 RAC technicians on good refrigeration practices, leak control, and new trends in the RAC sector; discussions have begun with a consultant on the preparation of a good refrigeration practices manual; and one webinar on the use of ammonia-based equipment with the participation of and 279 RAC technicians;
- (e) Meetings with supermarkets to identify the main HCFC consumption sources and amounts;
- (f) Distributions of awareness raising material on the ozone layer and the Montreal Protocol among the general public and RAC technicians and update the relevant webpage.

Level of fund disbursement

204. As of May 2021, of the US \$1,105,157 approved so far, US \$653,199 had been disbursed as shown in Table 13.

Table 13. Financial report of stage II of the HPMP for Uruguay (US \$)

Tranche	Approved	Disbursed	Disbursement rate (%)
First	314,000	314,000	100
Second	679,889	324,862	48
Third	111,268	14,337	13
Total	1,105,157	653,199	59

Completion of stage II

205. The Government of Uruguay through UNDP has requested an extension of the completion date of stage II of the HPMP to December 2022 due to delays caused by the creation of a new Ministry of Environment with oversight of the NOU and by the public health measures in response to the COVID-19 pandemic. Technical support from international experts is a key component of the conversion project which has not been possible during the pandemic.

206. UNDP provided a detailed work plan for the remaining activities to support the request for an extension of the implementation period, including:

- (a) One training workshop for 12 customs officers on the control the illegal trade of ODS to strengthen the capabilities of the Customs National Direction;
- (b) One training workshop on good servicing practices for 60 RAC technicians and the provision of tools for reducing refrigerant losses; distribution of a technical sheet on good servicing practices for all stakeholders; meetings with technical teams of supermarkets and large end-users for training to support the implementation of good servicing practices;
- (c) One specialized workshop on the use of CO₂ and ammonia as a refrigerant in commercial and/or industrial applications, and the use of R-290 and HFC-32 in residential AC equipment; two field visits to identify potential projects that may use low-GWP alternatives and to selected service shops to monitor and promote alternatives and good refrigeration practices among technicians;

- (d) Procurement of low-GWP alternative-based AC unit for pilot demonstration on the use of CO₂-based systems for cold rooms in supermarkets and the food industry; and finalizing criteria and procedures for sustainable public procurement of non-ODS, low-GWP, high energy efficiency technologies;
- (e) Design, print and disseminate information to promote the phase-out of HCFC; and
- (f) Continue implementation and monitoring activities of the NOU including one meeting with stakeholders and the preparation of reports.

Secretariat's comments

207. It was noted that while progress had been made, constraints imposed by the pandemic and the limited availability of low-GWP alternatives have slowed down the completion of the conversion of the SMEs; while UNDP had committed to complete the conversion by June 2021, these constraints provide the basis for which stage II of the HPMP is requested to be extended until December 2022. The Secretariat further noted that UNDP and the Government are working closely with importers and distributors to ensure that HFO systems would be commercially available to SMEs. Once the availability of HFO in local markets is resolved, technical assistance will be provided to the SMEs to introduce the HFO-based systems or other low-GWP alternatives (such as water-based systems). In acknowledging their efforts, the Secretariat considers it unlikely that the activities will be completed by the end of December 2021; the extension of one additional year would allow the Government and UNDP to complete the remaining activities for stage II.

208. UNDP noted that the ban on the import of pure HCFC-141b has been in place since 1 January 2021 as originally planned; however due to the delayed conversions of the foam SMEs, the ban on HCFC-141b contained in imported pre-blended polyols will be effective only from 1 January 2023.

Recommendation

209. The Executive Committee may wish:

- (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.

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)

Background

210. Subsequent to the finalization of documentation for the intersessional approval process established for the 86th meeting (IAP-86), the Secretariat received in November 2020 a request from the Government of Ecuador to transfer from UNEP to UNIDO phase VII of the institutional strengthening (IS) project, the fifth tranche of stage I of the HPMP, and all phase-out activities included in stage II of the HPMP initially planned for implementation by UNEP.

Secretariat's comments

211. Noting that the request was received too late for consideration at the IAP-86 (i.e., after the finalization of documents for the 86th meeting and during the IAP-86), the Secretariat informed the Government of Ecuador that the issue would be submitted to the 87th meeting. Accordingly, the request from the Government of Ecuador is presented for the Executive Committee's consideration.

212. The Secretariat notes that the request for the change of implementing agency from UNEP to UNIDO for the IS project and the removal of UNEP as cooperating agency in the HPMP (stages I and II) was presented upon consultation and agreement by the relevant parties. UNEP confirmed that the funding approved for the relevant projects was not disbursed. These funds will be returned to the Multilateral Fund to be approved for transfer to UNIDO. In addition, the funds approved in principle for future tranches of stage II of the HPMP will be transferred from UNEP to UNIDO in the Agreement between the Government and the Executive Committee. The level of approved funds to be returned by UNEP and funds approved in principle to be transferred to UNIDO are presented in Table 14.

Table 14. Balance of funds to be returned by UNEP from projects in Ecuador at the 87th meeting

Project (code)	Funds to be returned by UNEP (US \$)			Funds to be approved for UNIDO (US \$)		
	Approval	Agency support costs	Total	Approval	Agency support costs	Total
IS - phase VII (ECU/SEV/83/INS/71)	226,305	0	226,305	226,305	15,841	242,146
Stage I of the HPMP - fifth tranche (ECU/PHA/85/TAS/73)	10,000	1,300	11,300	10,000	700	10,700
Stage II of the HPMP - first tranche (ECU/TAS/86/TAS/74)	24,000	3,120	27,120	24,000	1,680	25,680
Funds approved in principle for the second, third and fourth tranche of stage II of the HPMP	*71,000	*9,230	80,230	71,000	4,970	75,970
Total	331,305	13,650	344,955	331,305	23,191	354,496

*The funds are not to be returned as they are only approved in principle. These funds are instead transferred to UNIDO in Appendix 2-A of the Agreement between the Government and the Executive Committee, for future approval.

213. The removal of UNEP as cooperating agency in stage I and stage II of the HPMP requires updates of the Agreements between the Government of Ecuador and the Executive Committee, as presented in Annexes V and VI, respectively, to the present document.

Recommendation

214. The Executive Committee may wish:

- (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 V to the present document, 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 VI to the present document, 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.

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

215. During the intersessional approval process established for the 86th meeting, the Executive Committee decided to advise bilateral and implementing agencies to continue assisting all Article 5 countries in implementing ongoing activities taking into account the constraints imposed by the COVID-19 pandemic, irrespective of their completion dates, and to report back at the 87th meeting on the specific activities that required an extension of their completion dates (decision 86/50).

216. In response to the decision by the Executive Committee, the Secretariat requested information from bilateral and implementing agencies on the status of time-sensitive ongoing HFC-related activities, and the number of those activities for which an extension of the completion date would be requested. The status of implementation of HFC-related activities is summarized in Table 15; and Annex VII to the present document provides the details of projects where extension is requested along with the proposed revised completion date and a brief summary of the activities still to be implemented.

Table 15. Status of implementation of HFC-related activities

Agency	No. of projects approved	No. of projects completed*	No. of projects with extension request
Canada	7	3	4
France	1	0	1
Germany	3	0	3
Italy	4	3	1
UNDP	24	11	13
UNEP	92	22	70
UNIDO	35	18	17
World Bank	4	3	1
Total	170	60	110

*This includes 18 projects that are expected to be completed by June 2021; in line with decision 86/50, these projects do not require specific extension approval by the Executive Committee.

217. The agencies informed that in general, the implementation of investment projects and enabling activities was affected due to constraints imposed by the COVID-19 pandemic; the agencies in consultation with the national ozone units have attempted to conclude activities to the extent possible through virtual meetings and off-line activities (e.g., report preparation, data analysis with on-line field data). However, additional time is required to complete a number of activities (e.g., finalization of strategy, policy and legal documents relating to the Kigali Amendment, support for the ratification of the Kigali Amendment, implementation of training programmes, implementation of awareness and outreach workshops, installation of equipment and verification for investment projects).

218. The extension requests for enabling activities for HFC phase-down for Algeria (UNIDO), Belize (UNDP), Burundi (UNEP), Guinea (UNEP), Haiti (UNDP), and the Republic of Moldova (UNDP) are separately addressed in paragraphs 220 to 222 of the present document, in line with decision 81/32(a).⁴⁸

Secretariat's comments

219. The Secretariat notes that despite the constraints imposed by the COVID-19 pandemic, progress has been made with most of the HFC-related activities at advanced stages of implementation. Based on the information provided by bilateral and implementing agencies and further discussions as required, the

⁴⁸ When approving enabling activities, to maintain the 18-month implementation period for such projects in line with decision 79/46(d)(iii) and, if needed, to extend that period by no more than 12 months (totalling 30 months from project approval), when an official request for extension was received by the Secretariat.

Secretariat considers that the additional time requested would allow the countries to complete the remaining activities in a reasonable timeframe, as summarized in Annex VII to the present document.

Recommendation

220. The Executive Committee may wish:

- (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 214 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 VII to the present document, 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.

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

221. In line with decision 81/32(a),⁴⁹ on behalf of the Governments of six Article 5 countries, lead implementing agencies have submitted official requests for extension of enabling activities for the phase-down of HFCs, as shown in Table 16.

Table 16. Requests for extension of enabling activities for HFC phase-down

Country	Lead agency	Completion date	Extension date
Algeria	UNIDO	30 June 2021	30 June 2022
Belize*	UNDP	31 December 2021	30 June 2022
Burundi	UNEP	31 December 2021	30 June 2022
Guinea	UNEP	31 December 2021	31 December 2022
Haiti	UNDP	30 June 2021	30 June 2022
Republic of Moldova	UNDP	31 December 2021	30 June 2022

*Government of Canada as cooperating implementing agency

Secretariat's comments

222. The reasons for the requests for the extension include *inter alia*, additional time required to start implementation, coordination between the national ozone units, stakeholders and the implementing agencies, and the need to complete all planned activities. The Secretariat noted that all the issues that had delayed the start of implementation have been addressed and activities are progressing. The Governments of the countries concerned are aware that their enabling activities should be completed no later than the extended date, and that balances should be returned within 12 months after completion in line with decision 79/46.

⁴⁹ The Committee decided to maintain the 18-month implementation period for enabling activities and, if needed, to extend that period by no more than 12 months (totalling 30 months from project approval), when an official request for extension was received by the Secretariat.

Recommendation

223. The Executive Committee may wish:

- (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, Belize, Burundi, Haiti and the Republic of Moldova and 31 December 2022 for Guinea, 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).

SECTION III: REPORTS ON PROJECTS WITH SPECIFIC REPORTING REQUIREMENTS FOR INDIVIDUAL CONSIDERATION

Reports related to HPMPs

Democratic People's Republic of Korea: HCFC phase-out management plan (stage I – progress report on implementation of activities) (UNIDO)

Background

224. At its 73rd meeting, the Executive Committee approved, in principle, stage I of the HPMP for the Democratic People's Republic of Korea, with UNIDO as lead implementing agency and UNEP as cooperating implementing agency, to achieve a reduction of HCFC consumption to a sustained level of 66.30 ODP tonnes by 1 January 2018 (i.e., 15 per cent below the HCFC baseline for compliance of 78.00 ODP tonnes). The approval took place upon confirmation by the implementing agencies that stage I of the HPMP could be implemented in compliance with the resolutions of the UNSC⁵⁰ on the Democratic People's Republic of Korea.

225. Since the approval of stage I, the Executive Committee has approved three out of four funding tranches at a total level of US \$808,550 (i.e., 95.3 per cent of the total funds of US \$848,550 approved in principle), as well as the transfer to UNIDO of all phase-out activities to be implemented by UNEP. In line with the Agreement between the Government and the Executive Committee, the last tranche of stage I of the HPMP, in the amount of US \$40,000, was scheduled to be submitted at the 81st meeting. As of the 84th meeting, UNIDO had been unable to submit the tranche request, due to the UNSC resolutions.

Progress report submitted to the 85th meeting

226. UNIDO has submitted to the 85th meeting a progress report on the implementation of stage I of the HPMP, listing the activities implemented so far, the level of disbursement achieved, the encountered challenges to a continued implementation of activities in compliance with the UNSC resolutions, and a request for guidance from the Executive Committee.

227. The report indicates that despite difficulties resulting from the UNSC resolutions, the main activities performed during the first and second tranches included:

⁵⁰ The UN Security Council Committee established pursuant to Resolution 1718 was consulted before submission of stage I of the HPMP to establish whether the equipment or any other services under the HPMP could be provided to the country.

- (a) Procurement of three refrigerant identifiers for the country's customs office;
- (b) Purchase of one spray foaming machine for the Puhung Building Material factory upon clearance from the UNSC Committee in 2015, and preparation of a contract for and shipment of auxiliary equipment to enable the installation/commissioning of spray foaming equipment;
- (c) Procurement of PU foam equipment (methyl formate), cleared by the UNSC Committee in line with the procedures established in the UNSC Resolution 2270 (2016); a purchase contract to the equipment suppliers was issued; the equipment was shipped through China, as it could not be shipped directly to the Democratic People's Republic of Korea, but was rejected by the Customs authorities in China and returned to the supplier;
- (d) Procurement of training equipment for RAC servicing technicians upon clearance by the UNSC Committee, shipped and distributed to refrigeration service technicians in June 2016;
- (e) Organization of a train-the-trainers workshop for 35 RAC servicing technicians conducted in August and September 2016;
- (f) Completion of an additional training session for five trainers in best practices in RAC servicing, conducted in India in December 2016; and
- (g) Conducting the first train-the-trainers workshop for 40 customs officers in May 2017.

Level of fund disbursement

228. As at 30 March 2020, of the total amount of US \$808,550 of funds approved, US \$303,313 (36 per cent) had been disbursed, as shown in Table 17.

Table 17. Financial report of stage I of the HPMP for the Democratic People's Republic of Korea (US \$)

Tranche	Approved	Disbursed	Disbursement rate (%)
First	134,003	87,386	65.2
Second	506,680	211,110	41.7
Third	167,867	1,817	1.1
Total	808,550	300,313	36.0

Update on the implementation plan for stage I of the HPMP

229. The activities that have not yet implemented include:

- (a) Follow-up on the training workshops for RAC servicing technicians and customs officers;
- (b) Mapping of existing reclaim and recovery centres and procurement of additional equipment; and
- (c) Establishing the project management unit once the funding transfer channel has been approved and made operational.

230. In addition, the PU foam equipment that was returned to the supplier by the Customs authorities in China, could not be re-imported as an additional resolution 2397 issued in 2017 specifically prohibits "all industrial machinery (HS codes 84 and 85), transportation vehicles (HS codes 86 through 89), and iron, steel, and other metals (HS codes 72 through 83)." Subsequent to this resolution, UNIDO was advised to submit to the UNSC a new exemption request, together with an updated list of the equipment to be imported

into the country. UNIDO submitted an official exemption request on 8 May 2019 and the UNSC Committee denied the exemption on 18 June 2019. In view of the above, UNIDO has not been able to proceed with the delivery of equipment.

231. Non-investment activities have also been impacted due to the inability to transfer funds within the country, made even more difficult by the introduction of stricter sanctions following the adoption of resolution 2397 (2017).

232. In view of the above, UNIDO indicated in its report that it is not in a position to continue the implementation of the HPMP for the Democratic People's Republic of Korea and is requesting guidance from the Executive Committee.

Secretariat's comments

233. Consideration of the report submitted by UNIDO at the 85th meeting and then at the 86th meeting had been deferred in accordance with the agreed procedure of the Executive Committee for conducting the 85th and 86th meetings at the time of the COVID-19 pandemic. The report has been re-submitted to the 87th meeting.

234. Since the submission of the report to the 86th meeting, at their Thirty-second Meeting,⁵¹ the Parties noted that the Democratic People's Republic of Korea was in non-compliance with the consumption and production control measures under the Protocol for HCFCs, as its annual consumption of 72.27 ODP tonnes of HCFCs exceeded the country's maximum allowable consumption of 70.2 ODP tonnes for that year, and its annual production of 26.95 ODP tonnes of HCFCs in 2019 exceeded the country's maximum allowable production of 24.8 ODP tonnes. Further, the Parties *inter alia* noted with appreciation the submission by the country of an explanation for its non-compliance and a plan of action to ensure its return to compliance with the Protocol's HCFC consumption and production control measures in 2023; further noted that, under that plan of action, without prejudice to the operation of the financial mechanism of the Protocol, the Democratic People's Republic of Korea specifically committed itself to specific reductions in production and consumption of HCFCs; urged the country to work with the relevant implementing agencies to explore options for the implementation of its plan of action to phase out the consumption and production of HCFCs subject to the application of the relevant UNSC resolutions; and invited the country to establish additional national policies facilitating HCFC phase-out that may include, but will not be limited to, bans on imports, on production or on new installations, and certification of refrigeration technicians and companies (decision XXXII/6).

235. The Secretariat notes that UNIDO has continued exercising due diligence and monitoring throughout the implementation of the project. Upon the adoption of an additional UNSC resolution in 2017, it has submitted to the UNSC Committee, pursuant to resolution 1718, an exemption request, together with an updated list of the equipment to be imported into the country, and has remained in close cooperation with relevant UN member states regarding the procurement and export of equipment designed to phase out the use of controlled substances in the country.

236. Upon enquiry by the Secretariat on any new development in the implementation of the HPMP for the Democratic People's Republic of Korea, UNIDO reported that there was no information additional to that provided at the 85th meeting, and that the implementation of the HPMP would only be feasible for UNIDO if UNSC sanctions were lifted or an exemption was granted. However, UNIDO was not in the position to obtain such exemption. Consequently, UNIDO reiterated that it is not in a position to continue the implementation of the HPMP for the Democratic People's Republic of Korea and is requesting guidance from the Executive Committee.

⁵¹ 23 to 27 November 2020.

Recommendation

237. The Executive Committee may wish to consider the information on the implementation of activities under stage I of the HCFC phase-out management plan (HPMP) for the Democratic People's Republic of Korea, submitted by UNIDO, giving due consideration to decision XXXII/6 of the Meeting of the Parties.

Annex I

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 II

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 III

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
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

Country	Code	Project title	Agency	Recommendation
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 IV

**TEXT TO BE INCLUDED IN THE UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF THE PHILIPPINES AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS
(Relevant changes are in bold font for ease of reference)**

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 **revised** updated Agreement supersedes the Agreement reached between the Government of the Philippines and the Executive Committee at the **83rd** meeting of the Executive Committee.

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	868,753
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).

Annex V

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

(Relevant changes are in bold font for ease of reference)

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.

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.

Annex VI

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
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

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-141b contained in imported pre-blended polyols	C	I	20.67
Total	C	I	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 HFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0.22
4.5.2	Phase-out of HFC-124 to be achieved in the previous stage (ODP tonnes)								0
4.5.3	Remaining eligible consumption for HFC-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 VII

REPORT ON HFC-RELATED ACTIVITIES THAT REQUIRE AN EXTENSION OF THEIR COMPLETION DATE

AGENCY/Country/Code	Project title	Date approved	Disbursement rate (%)	Activities to be completed by revised completion date	Proposed 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	Proposed 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	Proposed 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	Proposed 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	Proposed 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	Proposed 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	Proposed 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	Proposed 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	Proposed 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	Proposed 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

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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

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				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	Proposed 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

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				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	Proposed 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

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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

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				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

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				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