



**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/88/24
25 October 2021

ORIGINAL: ENGLISH



EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-eighth Meeting
Montreal, 15-19 November 2021¹

UNDP BUSINESS PLAN FOR 2022–2024

1. This document presents the UNDP business plan for 2022–2024² and includes: the planned activities for the phase-out of controlled substances under the Montreal Protocol (controlled substances) during the 2022–2024 period; the business plan performance indicators; policy issues; and a recommendation for consideration by the Executive Committee. The narrative of UNDP’s business plan for 2022–2024 is attached to the present document.

Planned activities during the 2022–2024 period

2. Table 1 sets out, by year, the value of activities included in UNDP’s business plan.

Table 1. Resource allocation in the UNDP business plan for 2022–2024 as submitted (US \$000s)*

Description	2022	2023	2024	Total (2022–2024)	Total after 2024
HCFC activities					
Approved HCFC phase-out management plans (HPMPs)	9,598	16,945	1,682	28,225	22,592
HPMP project preparation (PRP) – stage II	10	0	0	10	0
HPMP stage II	278	84	184	547	1,034
HPMP stage III	4,929	29,677	52,334	86,940	4,609
HCFC activities subtotal	14,815	46,706	54,200	115,721	28,236
HFC activities					
Kigali HFC implementation plan (KIP) – PRP	938	691	0	1,629	0
KIPs	0	26,240	0	26,240	19,577
HFC activities subtotal	938	26,932	0	27,870	19,577
Standard activities					
Institutional strengthening (IS)	2,069	4,317	2,069	8,456	0

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

² Given the constraints imposed by the COVID-19 pandemic, the Secretariat’s comments on the initial submission of the UNDP business plan for 2022–2024 were addressed through bilateral discussions and numerous exchanges of electronic messages. All issues were satisfactorily addressed.

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

Description	2022	2023	2024	Total (2022–2024)	Total after 2024
Core unit	2,143	2,158	2,173	6,474	0
Standard activities subtotal	4,212	6,475	4,242	14,930	0
Total	19,966	80,112	58,442	158,520	47,813

* Including agency support costs where applicable.

Secretariat's comments

Stage II of HPMPs

3. The total levels of funding for stage II of HPMPs for low-volume-consuming (LVC) countries to meet the 67.5 per cent reduction of the HCFC baseline amount to US \$171,461 (including US \$84,261 for 2022–2024), and to US \$1.41 million (including US \$462,557 for 2022–2024) to meet a 100 per cent reduction.

Stage III of HPMPs

4. A total of US \$91.55 million is included in the business plan for stage III of the HPMPs for 10 countries (Brazil, Colombia, India, Indonesia, Islamic Republic of Iran, Lebanon, Malaysia, Mexico, Nigeria, and the Republic of Moldova) (including US \$86.94 million for 2022–2024).³

HFC-related activities

5. HFC activities include KIP project preparation activities⁴ for 16 countries amounting to US \$1.63 million in 2022–2023; and KIPs⁵ for 28 countries amounting to US \$45.82 million (including US \$26.24 million in 2022–2024).

6. Eleven of the 16 countries for which KIP project preparation activities have been included have not ratified the Kigali Amendment. Two of the 11 countries have not submitted the required letter from their Government indicating their intent to make best efforts to ratify the Kigali Amendment. One of the 28 countries for which KIPs have been included in the business plan has not ratified the Kigali Amendment.

Core unit costs

7. The core unit costs⁶ are expected to increase at an annual rate of 0.7 per cent as agreed.

Proposed adjustments by the Secretariat

8. The adjustments to the UNDP business plan for 2022–2024 were based on relevant decisions of the Executive Committee. Further adjustments may be required pending a decision by the Parties on the

³ Inclusion of stage III of HPMPs in the business plan is allowed only for those countries with an approved stage II of HPMPs with reduction targets below the 2025 compliance targets, in line with decision 84/46(e).

⁴ Funding for the preparation of national implementation plans to meet initial reduction obligations for the phase-down of HFCs could be provided, at the earliest, five years prior to those obligations, after a country had ratified the Kigali Amendment and on the basis of guidelines to be approved in the future (decision 79/46(b)(iii)). In addition, HFC phase-down preparation activities could be included in the business plan for countries that had not ratified the Kigali Amendment but had submitted a letter indicating their Government's intent to make best efforts to ratify the Kigali Amendment (decision 84/46(f)). The guidelines for the preparation of KIPs were approved at the 87th meeting (decision 87/50).

⁵ KIPs are allowed inclusion of such plans in the business plan only for countries that had ratified the Kigali Amendment (decision 84/46(g)).

⁶ UNDP's 2022 core unit costs have been submitted to the 88th meeting (UNEP/OzL.Pro/ExCom/88/35).

level of the replenishment of the Multilateral Fund for the 2021–2023 triennium.⁷

9. In reviewing the revised UNDP business plan for 2022–2024, the Secretariat noted that the following adjustments were not included:

Table 2. Adjustments to the UNDP business plan for 2022–2024 (US \$000)

Adjustment	2022–2024	After 2024
HPMP values to reflect the actual amounts approved under the Agreements including tranches of HPMPs that are due but not submitted to the 88 th meeting	2,833	0
PRP for KIPs pursuant to decision 84/46(f) or decision 87/50, or that have been submitted to the 88 th meeting	(439)	0
KIPs pursuant to decision 84/46(g)	(275)	(412)
IS that have been submitted to the 88 th meeting but subsequently withdrawn	204	0

10. Table 3 presents the results of the Secretariat’s proposed adjustments to the UNDP business plan for 2022–2024, which are also addressed in the context of the Consolidated business plan of the Multilateral Fund for 2022–2024.⁸

Table 3. Resource allocation in UNDP’s adjusted business plan for 2022–2024 (US \$000s)*

Description	2022	2023	2024	Total (2022–2024)	Total after 2024
HCFC activities					
Approved HCFC phase-out management plans (HPMPs)	11,027	18,349	1,682	31,058	22,592
HPMP project preparation (PRP) – stage II	10	0	0	10	0
HPMP stage II	278	84	184	547	1,034
HPMP stage III	4,929	29,677	52,334	86,940	4,609
HCFC activities subtotal	16,244	48,110	54,200	118,554	28,236
HFC activities					
KIP – PRP	723	467	0	1,190	0
KIPs	0	25,966	0	25,966	19,165
HFC activities subtotal	723	26,433	0	27,156	19,165
Standard activities					
IS	2,274	4,113	2,274	8,660	0
Core unit	2,143	2,158	2,173	6,474	0
Standard activities subtotal	4,416	6,271	4,447	15,134	0
Total	21,384	80,813	58,647	160,844	47,401

* Including agency support costs where applicable.

Performance indicators

11. UNDP submitted performance indicators pursuant to decision 71/28 in its business plan narrative. The Secretariat informed UNDP of the targets shown in Table 4.

Table 4. Performance indicators for UNDP for 2022

Type of indicator	Short title	Calculation	2022 target
Planning--	Tranches approved	Number of tranches approved vs. those planned*	14

⁷ In the absence of a decision by the Parties on the level of the replenishment of the Multilateral Fund for the 2021–2023 triennium, and in light of decision XXXII/1, the indicative budget for resource allocation of the business plan for 2022–2024 was assumed at the same level of the replenishment of the 2018–2020 triennium. This issue is discussed in the consolidated 2022–2024 business plan of the Multilateral Fund (UNEP/OzL.Pro/ExCom/88/22).

⁸ UNEP/OzL.Pro/ExCom/88/22

Type of indicator	Short title	Calculation	2022 target
Approval			
Planning-- Approval	Projects/activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)**	20
Implementation	Funds disbursed	Based on estimated disbursement in progress report	US \$22,523,448
Implementation	ODS phase-out	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans*	216.0 ODP tonnes
Implementation	Project completion for activities	Project completion vs. planned in progress reports for all activities (excluding project preparation)	40
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	70%
Administrative	Timely submission of project completion reports	Timely submission of project completion reports vs. those agreed	On time (6)
Administrative	Timely submission of progress reports	Timely submission of progress reports and business plans and responses unless otherwise agreed	On time

* The target of an agency would be reduced if it could not submit a tranche owing to another lead or cooperating agency, if agreed by that agency.

** Project preparation should not be assessed if the Executive Committee has not taken a decision on its funding.

RECOMMENDATION

12. The Executive Committee may wish:

- (a) To note the UNDP business plan for 2022–2024, contained in document UNEP/OzL.Pro/ExCom/88/24; and
- (b) To approve the performance indicators for UNDP as set out in Table 4 of document UNEP/OzL.Pro/ExCom/88/24.



*Empowered lives.
Resilient nations.*

**Executive Committee of the Multilateral Fund
for the Implementation of the Montreal Protocol**

UNDP 2022

Business Plan Narrative

88th Meeting, 15–19 November 2021, Montreal, Canada

I. Introduction

The 2022-2024 UNDP Business Plan for the Multilateral Fund for the Montreal Protocol provides the Executive Committee with estimates of the funding levels needed to achieve the 2025 control measure for HCFCs and to support the early phase-down of HFCs.

It should be noted that planned activities included in the 2022 column are relatively firm, while future years are indicative and are provided for planning purposes only.

In 2021, while the COVID-19 pandemic continued to impose limitations on project implementation, Article 5 countries and UNDP were able to adapt some of our operations in order to ensure the continuation of the implementation of activities under the Multilateral Fund. We expect the COVID-related limitations, especially on travel, to continue for the first half of 2022 but we will strive to continue providing assistance to countries to ensure that they meet their control targets under the Montreal Protocol on a timely basis. Furthermore, recognizing the importance and the need for capacity building for the implementation of the Kigali Amendment, UNDP aims to continue organizing online webinars on technical topics to exchange information among Article 5 countries and provide training to the NOUs and stakeholders remotely.

This narrative is based on an excel table that is included as Annex 1 to this report. The excel table lists all the ongoing and planned UNDP activities for which funding is expected during the period 2022 through 2024. Figures are also provided for the years 2025-2030, which are mainly related to Stage II HPMP approvals and Stage III HPMPs and HFC phase-down activities, which may be requested 5 years before the first commitment (for Group 1 countries: 2024; Group 2 countries: 2028).

In preparing this business plan, the relevant Executive Committee decisions on Business Planning, Stage I and Stage II HPMPs, HCFC investment and demonstration projects, and HFC enabling activities and stand-alone investment projects (60/44, 71/18, 71/42, 72/20, 72/40, 73/27, 74/18, 74/50, 74/51, 78/3, 79/45, 79/46, 79/47 and 84/46) as well as country requests have been taken into consideration. As agreed with the Secretariat, activities which were included in UNDP's 2021 Business Plan, but were not submitted in 2021 were reflected in the 2022 Business Plan as well.

The activities included for 2022 can be summarized as follows:

- Several HCFC-related activities, some of which have resulted directly from the approval of Stage I and II in the previous years worth US\$ 9 million;
- Stage II preparation request for South Sudan;
- Stage III requests for 3 countries (Indonesia, Mali and Nigeria, to meet the 2025 and 2030 control targets;
- HFC management preparation requests for ten countries (Bangladesh, Brunei Darussalam, Egypt, Georgia, India, Moldova, Nepal, Timor Leste, Turkey, and Viet Nam);
- 22 ongoing institutional strengthening activities, of which eight will request an extension in 2022 for a combined amount of US\$ 2.0 million; and
- One global request for the Core Unit support cost.

The countries' needs have been calculated based on approved HPMPs and reported HCFC baseline consumption. Most HPMPs for non-LVCs include investment projects for the conversion of manufacturing enterprises to HCFC-free alternatives.

Figures for the new Stage III HPMP activities in 2022 and beyond were based on the Stage II guidelines that were approved at the 74th meeting and on a calculation of up to 67.5% or total phase-out for most countries. The year of the first tranche and the duration of Stage II were determined on a country basis depending on the local context of the country. Stage III PRP was entered one to two years before the last tranche of Stage II of the HPMP is due with the exception of a few cases.

For countries that have requested preparation funding for HFC management plans but not ratified Kigali yet, letters of intention to ratify Kigali have been sought. In order to calculate the funding levels for HFC preparation, the guidelines for HFC preparation contained in ExCom document 87/46 were applied. Considering the high demand of cooling in developing countries, the HFC phase-down is very challenging in terms of the high growth rate in recent years and the dramatic technology changes that will be needed. The HFC phase-down will require interventions in advance to curb the growth and transform the market. In addition, the proliferation of HFC blends (some are mixtures of HCFCs + HFCs; many new products recently launched) and the difficulties of the servicing sector to handle the blends and alternatives as compared to the HCFC phaseout, among other factors, will cause the HFC phasedown to be more complicated and challenging. UNDP welcomes ExCom Decision 87/46 in terms of the inclusion of activities on maintaining and/or enhancing energy efficiency when phasing down HFCs in the preparation of KIPs. UNDP will discuss with A5 countries on the opportunities of integrated interventions if they are in the position to do so.

Taking into factor these considerations, the expected business planning value is **US\$ 19.9 million for 2022** and **US\$ 80.1 million for 2023** (including support costs). This funding translates to the phase out of 204.6 ODP tonnes in 2022 and 587.3 ODP tonnes in 2023.

II. Resource allocation

As referenced in the Introduction section, UNDP’s primary focus in 2022-2024 will be on assisting countries to meet the 2025 HCFC control target and supporting them for the upcoming HFC freeze and phasedown. In addition, the renewal of institutional strengthening projects is also a component of UNDP’s 2022-2024 Business Plan.

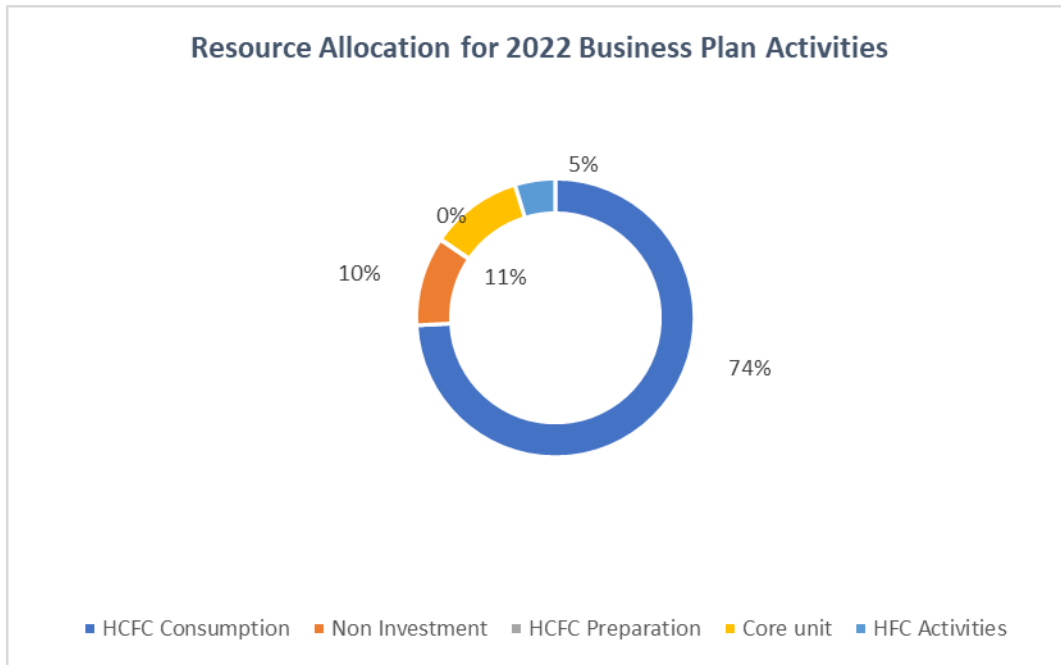
The total budget for 2022 for the above activities is US\$ 17.8 million (including support costs) plus US\$ 2.1 million core unit funding for UNDP. Table 1 below summarizes the resource allocation of UNDP’s 2022 Business Plan. The projects are grouped into various categories, which are described in the following summary table.

Table 1: UNDP 2022-2024 Business Plan Resource Allocations¹

Category	2022 Value (000’s)	2023 Value (000’s)	2024 Value (000’s)
HCFC Consumption	14,805	46,706	54,200
Non Investment	2,069	4,317	2,069
HCFC Preparation	10	-	-
Core unit	2,143	2,158	2,173
HFC Activities	938	26,932	-
	19,966	80,112	58,442

¹ All values include agency support costs.

Chart 1: UNDP Resource Allocation for 2022 Business Plan Activities

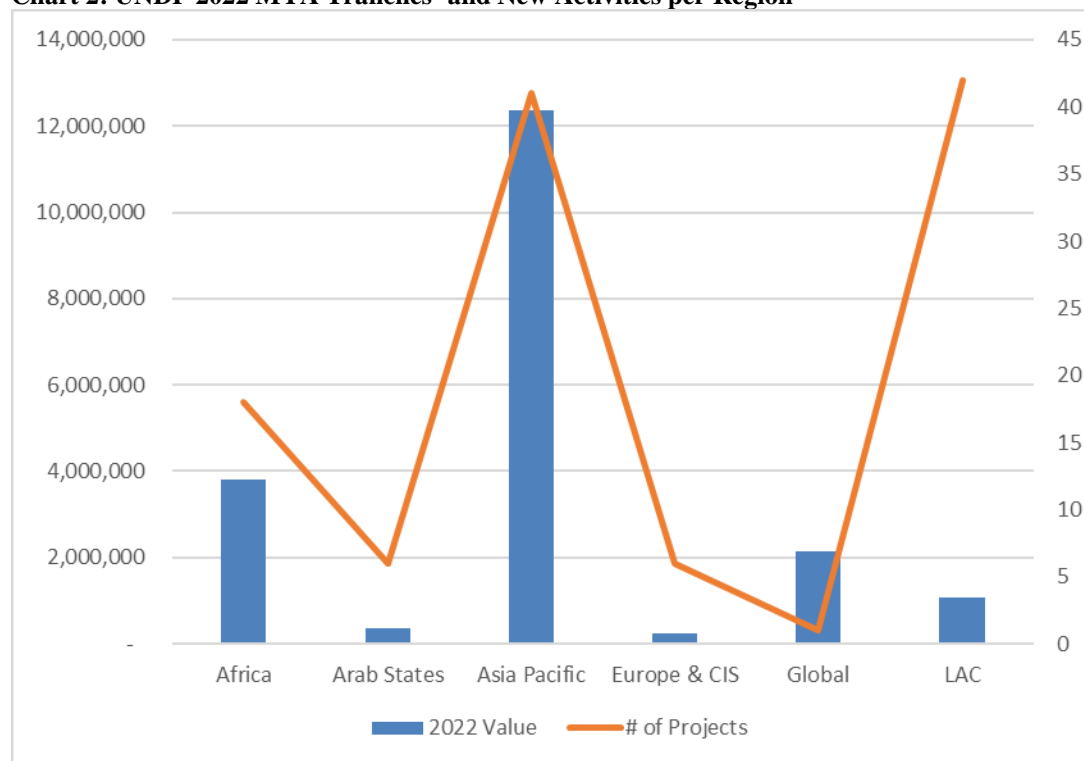


III. Geographical distribution

The UNDP Business Plan will once again cover all five regions (Africa, Arab States, Asia Pacific, Europe & CIS, Global, and Latin America and the Caribbean), with approved and new activities in 53 countries, 24 of which have funding requests in 2022. The number of activities and budgets per region for 2022 is listed in Chart 1.

It should be noted that the budget amounts are in direct correlation with the amount of ODS that a country/region consumes. The main priority areas of focus in the five regions will be Stage II and III HPMPs, preparatory assistance for Stage II and III HPMPs, preparing countries for the HFC phasedown, and institutional strengthening projects.

Chart 2: UNDP 2022 MYA Tranches² and New Activities per Region³



*This graph doesn't include the Ozone programmes in the CIS that are funded by the GEF.

IV. Programme Expansion in 2022

4.1. Background

UNDP's 2022-2024 Business Plan has mostly been developed by taking previous years' business plans into consideration, applying the relevant Executive Committee decisions on Business Planning, Stage I and Stage II HPMPs, investment and demonstration projects, and through communication with Article 5 countries that have expressed an interest in working with UNDP to address their compliance and other needs.

Clarifications were sought and overlaps were resolved during discussions with the MLF Secretariat and other Implementing and bilateral Agencies through virtual means due to the coronavirus pandemic.

Countries Contacted. All activities listed are either deferred from the prior year's business plan, or have active project preparation accounts ongoing, or were included based on requests from the countries concerned. UNDP will continue to provide technical and advisory support to all the countries assisted during Stage I and Stage II.

Coordination with other bilateral and implementing agencies. As in the past, during 2022, UNDP will continue to collaborate with both bilateral and other implementing agencies, as lead agency or cooperating agency. Collaborative arrangements in programming will continue with bilateral agencies,

²All values include agency support costs.

³ EUR contains CIS-countries that receive MLF funding.

including the Governments of Canada, France, Italy, and Japan.

4.2. Non-investment projects

UNDP's planned non-investment projects in 2022 are worth more than US\$ 3 million, including support costs. This list excludes institutional strengthening and includes one global request under the core unit, preparation funding and HFC activities.

Details on all these requests will also be included in the respective Work Programmes to be submitted throughout 2022.

Table 3: Individual Non-Investment projects (DEM/TAS) in 2022

Country	Sector and Subsector	Value in 2022
Bangladesh	PRP for HFC phase-down plan	137,571
Brunei Darussalam	PRP for HFC phase-down plan	37,450
Egypt	PRP for HFC phase-down plan	66,000
Georgia	PRP for HFC phase-down plan	45,475
Global	Core Unit Support	2,142,835
India	PRP for HFC phase-down plan	250,000
Nepal	PRP for HFC phase-down plan	37,450
Republic of Moldova (the)	PRP for HFC phase-down plan	98,712
South Sudan	Stage II HPMP Preparation	10,000
Timor Leste	PRP for HFC phase-down plan	26,750
Turkey	PRP for HFC phase-down plan	68,700
Viet Nam	PRP for HFC phase-down plan	170,000
		3,090,943

In addition, UNDP will prepare 8 non-investment Institutional Strengthening project extensions in 2022, as indicated in the table below. The total value of IS renewal programming in 2022 is US\$ 2.0 million. An additional 14 IS renewals (Bangladesh, Brazil, Chile, China, Colombia, Costa Rica, Cuba, India, Malaysia, Pakistan, Panama, Trinidad and Tobago, Uruguay, Venezuela) will be submitted in 2023 and are thus not shown in the table below.

Table 4: Non-Investment Institutional Strengthening requests

Country	Sector and Subsector	Value in 2022
Argentina	Institutional Strengthening	426,722
Georgia	Institutional Strengthening	90,950
Ghana	Institutional Strengthening	190,511
Indonesia	Institutional Strengthening	371,498
Iran	Institutional Strengthening	237,641
Lebanon	Institutional Strengthening	212,411
Nigeria	Institutional Strengthening	356,096
Sri Lanka	Institutional Strengthening	183,603
		2,069,432

V. Activities included in the Business plan that needs special consideration

While Section IV dealt specifically with 2022 activities only, section V is related to all years.

HCFC Demonstration Projects

Implementation of HCFC Phase-out Management Plans (HPMPs) in developing countries involves technology and policy interventions for phasing out HCFCs, to comply with the control targets of the accelerated HCFC phase-out schedule. During Stage I of the HPMP covering the 2013 and 2015 control targets, higher ODP HCFCs and sectors (HCFC-141b and the Foams Sector) were prioritized to maximize environmental impact. It followed that larger enterprises, where cost-effective conversions could be carried out using existing and mature technologies (eg. hydrocarbons), were also prioritized.

While some companies addressed in Stage I and Stage-II HPMP were able to identify solutions, we are now facing the work to be done to phase out consumption in SMEs. It has been noted during Stage I that even in the prioritized sectors/substances (HCFC-141b, Foams Sector), for enterprises with small lower levels of HCFC consumption, established alternatives to HCFCs (e.g. R290, R32, HFOs) did not always provide a competitive solution in terms of availability of components, costs, performance and safety issues. It is expected that the market uptake of low GWP alternatives could be improved when HFCs are restricted by the implementation of the Kigali Amendment

UNDP has significant experience in facilitating technology assessments of emerging alternatives (Methyl formate, Methyl Al, CO₂, R-32, Ammonia, hydrocarbons, etc.) in various sectors which demonstrated low GWP alternatives to HCFCs using various technologies in a number of priority sectors. Please see below the table for a detailed list of the countries, project titles and status of these projects. The factsheets on these projects are available on the [MLF website](#).

The table below provides details on all the UNDP demonstration projects funded by the MLF for HCFC phaseout.

Project Title	Country	Sector/Subsector/Applications	Status
Pilot project to validate methylal as blowing agent in the manufacture of polyurethane foam	Brazil	PU Foam Non-insulation and insulation foam	Completed
Pilot project for validation of methyl formate as a blowing agent in the manufacture of polyurethane foam	Brazil	PU Foam/Flexible, integral skin, rigid insulation foam	Completed
Demonstration project for conversion from HCFC-22 technology to ammonia/CO ₂ technology in the manufacture of two-stage refrigeration systems for cold storage and freezing applications at Yantai Moon Group Co. Ltd.	China	Industrial and commercial refrigeration (ICR) /Cold storage and freezing applications	Completed
Demonstration project for conversion from HCFC-22 technology to HFC-32 technology in the manufacture of commercial air-source chillers/heat pumps at Tsinghua Tong Fang Artificial Environment Co. Ltd.	China	Industrial and commercial air-conditioning Unitary and multi-connected air-conditioning (AC) and heat pumps	Completed
Demonstration of the application of an ammonia/carbon dioxide refrigeration system in replacement of HCFC-22 for the medium-sized producer and retail store of Premezclas Industriales S.A.	Costa Rica	Industrial and commercial refrigeration	Completed
Assessment of the use in Colombia of the supercritical CO ₂ technology	Colombia	PU Foam/Spray foam	Completed
Demonstration project to validate the use of hydrofluoro-olefins for discontinuous panels in Article 5 parties through the development of cost-effective formulations	Colombia	Rigid Foam	Completed

Demonstration of low-cost options for the conversion to non-ODS technologies in polyurethane foams at very small users	Egypt	Rigid Foam	Completed
Conversion from HCFC-22/HCFC-142b technology to CO2 with methyl formate co-blowing technology in the manufacture of extruded polystyrene foam at Feininger	China	Extruded polystyrene (XPS) foam	Completed
Validation of use of HFO-1234ze as a blowing agent in the manufacture of extruded polystyrene foam board stock	Turkey	Extruded polystyrene (XPS) foam	Completed
Validation/Demonstration of low-cost options for the use of hydrocarbons as foaming agent in the manufacture of PU foam	Egypt	PU Foam Rigid and integral skin foam	Completed
Pilot project for validation of methyl formate in microcellular polyurethane applications (phase I)	Mexico	Integral skin foam	Completed
Demonstration project for conversion from HCFC-141b-based technology to isoparaffin and siloxane (KC-6) technology for cleaning in the manufacture of medical devices at Zhejiang Kindly Medical Devices Co. Ltd.	China	Solvents	Completed
Demonstration project for ammonia semi-hermetic frequency convertible screw refrigeration compression unit in the industrial and commercial refrigeration industry at Fujian Snowman Co. Ltd.	China	Industrial and Commercial Refrigeration Compressor	Completed
Demonstration project (R290) for HCFC phase-out in the manufacturing of commercial air conditioning equipment in industrials THERMOTAR LTDA.	Colombia	Commercial Air-Conditioning	Completed
Demonstration Project for Fisheries Sector in the Maldives	Maldives	Refrigeration in Fishery Sector	Completed
Punta Cana District Cooling Feasibility Study	Dominican Republic	Air conditioning sector/not-in-kind technology	Completed

HFC Enabling Activities and Stand-alone Investment Projects

As per ExCom decision 79/46, the Executive Committee allowed for the submission of HFC enabling activities, which will support the early ratification of the Kigali Amendment. These activities supported Parties in the ratification process. Countries undertook a range of enabling activities to help their national ozone units fulfill their initial obligations with regards to HFC phase-down, in line with the Kigali Amendment, including country-specific activities aimed at initiating support on institutional arrangements, the review of licensing systems, data reporting on HFC consumption and production and the national strategies. UNDP assisted 19 countries and preparing them for ratification of the Kigali Amendment, out of which five countries (China, Costa Rica, Jamaica, Lebanon, and Peru) have completed these activities. Overall, the general conclusion that can be drawn so far is that the initial 18 months allocated to undertake the tasks required under the enabling activities was not sufficient. These activities require more time than originally planned due to the need to consult an extended range of stakeholders and to review, assess and analyze the complex regulatory frameworks that starts with the ratification process in Parliaments and is extended to all pieces of legislation that currently only consider ozone depleting substances. Additionally, for some countries, the linkages of the Kigali Amendment Enabling Activities with energy-efficiency related entities is complex and needs to be built from scratch. It is critical to highlight that EA activities are country-driven actions, owned by NOUs, and for this reason, internal bureaucratic processes need to be respected in order to assure the buy-in of all

stakeholders involved. As of September 2021, of the 19 countries for which UNDP supported the EAs, 13 have ratified the Kigali Amendment.

The Executive Committee (ExCom decision 79/45) has also allowed for the preparation of stand-alone investment projects, which will support the phase-down of HFCs. Investment projects that will help to reduce the HFCs consumption at the enterprise level will be considered by the ExCom on a case-by-case basis. UNDP has assisted seven countries (Bangladesh, China, Colombia, Dominican Republic, Egypt, Mexico, and Zimbabwe) with preparing such projects. Of these countries, five countries (Bangladesh, China, Dominican Republic, Mexico and Zimbabwe) have been approved by the Executive Committee. Four projects have been completed.

VI. General Overview on Assistance to Countries in Non-Compliance

In UNDP’s portfolio, all countries are currently in compliance with the HCFC phase-out schedule. The actions have been taken by the NOUs, with support from UNDP, when there are discrepancies in data reporting and issues related to the licensing system were identified either in the review process by the MLF Secretariat or in the verification report.

The activities presented in UNDP’s business plan aim at providing assistance to Article 5 countries to comply with their obligations towards the Montreal Protocol. UNDP would like to note that some SIDS face challenges in the coming years for the HCFC-22 reduction target due to the lack of alternatives of HCFCs in the fishery sector. In some countries, the complete phase-out of HCFC-141b in SMEs may entail temporary use of high GWP HFCs. In term of risks related to the compliance of the freeze target of HFCs in 2024, it is difficult to predict in the absence of the baseline data of A5 countries and in the context of the uncertainty posed by the pandemic. UNDP will work closely with the country concerned to resolve the challenges and will assist them to report the required data to the Secretariat of the Multilateral Fund and the Ozone Secretariat.

VII. Policy Issues

None.

VIII. 2022 PERFORMANCE INDICATORS

Decision 71/28 of the Executive Committee approved the following indicators to allow for the evaluation of performance of implementing agencies, with the weightings indicated in the table below. UNDP has added a column containing the “2022 targets” for those indicators. Some of these targets can be extracted from UNDP’s 2022 business plan to be approved at the 88th ExCom meetings in November 2021. It should however be noted that this table is usually revised at that meeting, depending on the decisions that are taken. Other targets will be known once the prior year’s progress report is submitted.

Category of performance indicator	Item	Weight	UNDP’s target for 2022	Remarks
Planning/Approval	Number of tranches approved vs. those planned*	10	10	7 approved multi-years, 3 planned HPMPs
Planning/Approval	Number of projects/activities approved vs. those planned (including project preparation activities)**	10	20	8 IS, 1 TAS, 11 PRP
Implementation	Funds disbursed (based on estimated disbursement in progress report)	15	\$22,484,148	As determined by the 2019 Progress Report.
Implementation	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	25	204.62	ODS Phaseout associated with 10 tranches

Category of performance indicator	Item	Weight	UNDP's target for 2022	Remarks
Implementation	Project completion vs. planned in progress reports for all activities (excluding project preparation)	20	39	As determined by the 2020 Progress Report.
Administrative	The extent to which projects are financially completed 12 months after project completion	10	TBD	70% of those due as determined by the 2020 Progress Report.
Administrative	Timely submission of project completion reports vs. those agreed	5	On time	TBD
Administrative	Timely submission of progress reports and business plans and responses unless otherwise agreed	5	On time	TBD

* The target of an agency will be reduced if we could not submit a tranche owe to another cooperating/lead agency, if agreed by that agency.

** Project preparation should not be assessed if the Executive Committee has not taken a decision on its funding.

Note: As per usual practice, all the above indicators will be revised during the 88th ExCom, depending on which programmes are allowed to stay in the business plan in those meetings.