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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninetieth Meeting
Montreal, 20-23 June 2022
Items 9(a) and (d) of the provisional agenda¹

PROJECT PROPOSAL: BANGLADESH

This document consists of the comments and recommendation of the Secretariat on the following project proposal:

Phase-out

- HCFC phase-out management plan (stage II, second tranche) UNDP and UNEP

¹ UNEP/OzL.Pro/ExCom/90/1

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Bangladesh

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase out plan (stage II)	UNDP (lead), UNEP	81 st	67.5% by 2025

(II) LATEST ARTICLE 7 DATA (Annex C Group I)	Year: 2020	46.53 (ODP tonnes)
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(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)								Year: 2021	
Chemical	Aerosol	Foam	Fire fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-123	0.00	0.00	0.01	0.00	0.04	0.04	0.00	0.00	0.04
HCFC-124	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HCFC-141b	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HCFC-141b in Imported Pre-blended Polyol	0.00	48.4	0.00	0.00	0.00	0.00	0.00	0.00	48.4
HCFC-142b	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HCFC-22	0.00	0.00	0.00	15.40	28.77	0.00	0.00	0.00	44.17

(IV) CONSUMPTION DATA (ODP tonnes)			
2009 - 2010 baseline:	72.65	Starting point for sustained aggregate reductions:	72.65
CONSUMPTION ELIGIBLE FOR FUNDING (ODP tonnes)			
Already approved:	48.54	Remaining:	23.08*

* Excluding the remaining eligible consumption of HCFC-141b of 1.03 ODP tonnes as the Government has imposed a ban on imported bulk HCFC-141b.

(V) BUSINESS PLAN		2022	2023	2024	Total
UNDP	ODS phase-out (ODP tonnes)	8.7	4.4	0.00	13.1
	Funding (US \$)	2,292,000	1,146,000	0	3,438,000
UNEP	ODS phase-out (ODP tonnes)	0.00	0.5	0.00	0.5
	Funding (US \$)	0	136,000	0	136,000

(VI) PROJECT DATA*			2018	2019	2020	2021	2022	2023	2024	2025	Total
Montreal Protocol consumption limits			65.39	65.39	47.22	47.22	47.22	47.22	47.22	23.61	n/a
Maximum allowable consumption (ODP tonnes)			50.86	50.86	47.22	47.22	47.22	30.50	26.50	23.61	n/a
Agreed funding (US \$)	UNDP	Project costs	2,142,405	0	0	0	2,142,405	0	1,071,204	0	5,356,014
		Support costs	149,968	0	0	0	149,968	0	74,985	0	374,921
	UNEP	Project costs	360,000	0	0	0	0	0	120,400	54,280	534,680
		Support costs	46,333	0	0	0	0	0	15,496	6,986	68,815
Funds approved by ExCom (US \$)	Project costs	2,502,405	0	0	0	0	0	0	0	0	2,502,405
	Support costs	196,301	0	0	0	0	0	0	0	0	196,301
Total funds requested for approval at this meeting (US \$)	Project costs	0	0	0	0	2,142,405	0	0	0	0	2,142,405
	Support costs	0	0	0	0	149,968	0	0	0	0	149,968

*As reflected in the updated Agreement for consideration at the 90th meeting taking into account that the second tranche due at the 86th meeting in 2020 has been submitted to the 90th meeting in 2022 and the third tranche initially planned for 2022 will be requested in 2024.

Secretariat's recommendation:	Individual consideration
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PROJECT DESCRIPTION

1. On behalf of the Government of Bangladesh, UNDP as the lead implementing agency has submitted a request for funding for the second tranche of stage II of the HCFC phase-out management plan (HPMP), at the amount of US \$2,142,405, plus agency support costs of US \$149,968 for UNDP only.² The submission includes a progress report on the implementation of the first tranche, and the tranche implementation plan for 2022 to 2024.

Report on HCFC consumption

2. The Government of Bangladesh reported under country programme (CP) implementation report a consumption of 44.21 ODP tonnes of HCFC in 2021, which is 39 per cent below the HCFC baseline for compliance. The Article 7 data for 2021 has not been reported yet. The 2017-2021 HCFC consumption is shown in Table 1.

Table 1. HCFC consumption in Bangladesh (2017-2021 Article 7 data)

HCFC	2017	2018	2019	2020	2021*	Baseline
Metric tonnes (mt)						
HCFC-22	1,141.40	857.16	875.51	844.97	803.00	825.86
HCFC-123	7.00	3.01	2.50	2.60	2.00	10.50
HCFC-124	0.00	0.00	0.00	0.00	0.00	3.18
HCFC-141b	0.00	0.00	0.00	0.00	0.00	193.00
HCFC-142b	6.36	3.18	9.77	0.00	0.00	88.04
(Sub-total / Total) (mt)	1,154.76	863.35	887.72	847.57	805.00	1,120.58
HCFC-141b in imported pre-blended polyols*	180	196	310	360	440	-
ODP tonnes						
HCFC-22	62.78	47.14	48.15	46.47	44.17	45.42
HCFC-123	0.14	0.06	0.05	0.05	0.04	0.21
HCFC-124	0.00	0.00	0.00	0.00	0.00	0.07
HCFC-141b	0.00	0.00	0.00	0.00	0.00	21.23
HCFC-142b	0.41	0.21	0.63	0.00	0.00	5.72
(Sub-total / Total) (ODP tonnes)	63.33	47.41	48.84	46.53	44.21	72.65
HCFC-141b in imported pre-blended polyols*	19.80	21.56	34.10	39.60	48.4	-

*CP data.

3. From 2017 to 2018 the consumption of HCFC-22 decreased by 24 per cent and remained roughly at the same level for 2018-2020, in 2021 the reported consumption of HCFC-22 decreased by 5 per cent over the previous year and was below the baseline consumption of this substance. Consumption of HCFC-123 decreased by more than half from 2017 to 2018 and moderately between 2019 and 2021. The consumption of HCFC-141b is zero due to a ban on the import of bulk HCFC-141b as of January 2014; and HCFC-124 has not been imported since 2012. There has been no consumption of HCFC-142b reported, which was used in the servicing sector, since 2019. The overall reductions achieved are due to enforcement of the licensing and quota system and technical assistance activities implemented under the HPMP. HCFC-141b contained in imported pre-blended polyol has continued to increase during this period due to growth in consumption by some manufacturers of polyurethane (PU) foam.

² As per the letter of 31 March 2022 from the Department of Environment of Bangladesh to UNDP.

CP implementation report

4. The Government of Bangladesh reported HCFC sector consumption data under the 2020 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

Verification report

5. UNDP reported that the verification of the country's HCFC consumption for 2018-2021 is being conducted virtually using available online and digital data due to challenges associated with the COVID-19 pandemic. At the time of issuance of the present document, the report had not been submitted. UNDP expects that the verification report will be submitted by the end of June 2022, and at the latest, no later than 12 weeks before the 91st meeting.

Progress report on the implementation of the first tranche of the HPMP*Legal framework*

6. The HCFC import licensing and quota system is operational since 2013. The updated Harmonized System (HS) codes concerning all ODS are included in the 2014 amended Rules. The Department of Environment (DoE) through the National Ozone Unit (NOU) establishes the annual import quotas for HCFCs based on the maximum allowable consumption under its Agreement with the Executive Committee. The quota is distributed based on the importers' previous imports and calculated in line with demand for the current year. Approximately 2 per cent of the established quota is retained by the NOU as a buffer in case of unexpected requirements. The import of HCFC-141b in bulk has been banned since January 2014 following the conversion of HCFC-141b to cyclopentane technology in manufacturing refrigeration equipment insulation foam at Walton Hi-Tech Industries. The import of HCFC-141b contained in imported pre-blended polyols has been recorded since 2012 although there is presently no regulation controlling its import and use.

Manufacturing sector

7. Stage II of the HPMP included the conversion of five air-conditioning (AC) manufacturing enterprises (AC Bazar Industries Ltd., Elite Hi-Tech, Supreme Air Conditioning Co., Unitech Products, and Walton Hi-Tech Industries) to R-290 technology for equipment up to 1.5 tonne of refrigeration (TR) and HFC-32 for larger-sized AC equipment (i.e., more than 1.5 TR). Funding was also provided for one chiller enterprise (Cooling Point Engineering) to convert to HFC-32 technology; in total the six enterprises are expected to phase out 17.09 ODP tonnes (310.78 mt) of HCFC-22. Four of the enterprises (AC Bazar, Elite, Unitech and Walton) also received funding for conversions in the production of heat exchangers. The progress in the implementation of the conversion projects is summarized in Table 2.

Table 2. Progress in the implementation of six conversion projects in the AC manufacturing sector

Enterprise	Alternative	Progress
AC Bazar Industries Ltd.	R-290	The Memorandum of Agreement (MOA) was signed in August 2021; the conversion plan and technical specifications for the AC conversions were completed and the procurement was initiated; equipment delivery is expected by December 2022; and the conversion plan for heat exchanger production is currently under preparation.
Elite Hi-Tech	R-290	The MOA was signed in August 2021; the conversion plan and technical specifications for the AC conversions were completed and the procurement was initiated; equipment delivery expected in October 2022; and the conversion plan for heat exchanger production is currently under preparation.
Supreme Air-Conditioning	R-290	The MOA was signed in August 2021; the conversion plan and technical specifications were completed, and the procurement was initiated;

Enterprise	Alternative	Progress
Co.		equipment delivery is expected by December 2022.
Unitech Products	R-290	The MOA was signed in August 2021; the conversion plan and technical specifications for the AC conversions were completed and the procurement was initiated; equipment delivery is expected by December 2022; and the conversion plan for heat exchanger production is currently under preparation.
Walton Hi-Tech Industries	R-290/HFC-32	The MOA was signed in August 2021; the conversion plan and technical specifications for the AC conversions were completed and the procurement was initiated; equipment delivery expected in October 2022; and for the conversion of the heat exchanger production, the equipment has been procured and will be delivered by October 2022.
Cooling Point Engineering	HFC-32	The MOA was signed in August 2021; the conversion plan and technical specifications were completed, and the procurement was initiated; equipment delivery is expected by December 2022.

Refrigeration servicing sector

8. The agreement with the Government of Bangladesh was signed only in December 2021 due to administrative delays. The planned activities for this sector have been deeply impacted both by the delay in the signature of the agreement and by the COVID-19 related restrictions as activities require institutional coordination and field work as well as physical gatherings of many people for training. UNEP is discussing with the NOU and other stakeholders an accelerated implementation plan to catch up from the delays.

Project implementation and monitoring unit (PMU)

9. The PMU was formally established for stage II to assist in the implementation and monitoring of activities. Activities related to the PMU included the formation of the relevant committees to support the implementation of stage II, appointment of a National Project Director, holding an inception workshop with 98 participants (including 16 women) and several meetings with stakeholders. An expert on design and safety has been recruited and has started working with the six manufacturing enterprises. The PMU costs incurred since the first tranche are presented in Table 3.

Table 3. Funding allocation and disbursement for the project implementation and monitoring unit

Particulars	Approved in the first tranche (US \$)	Disbursed since the first tranche (US \$)
Project implementation and coordination (staff costs, computers and office electronics, furniture and equipment, stationery and printing, communication costs, operational and overhead costs)	123,039	54,792
Project monitoring (project consultants/experts and travel expenses for periodic site visits to enterprises to monitor progress)	32,500	3,702
Policies and regulations (stakeholder workshops, consultations, and meetings)	14,000	3,635
Capacity-building	5,000	-
Total	174,539	62,129

Level of fund disbursement

10. As of March 2022, of the US \$2,502,405 approved so far (US \$2,142,405 for UNDP and US \$360,000 for UNEP), US \$ 798,567 (32 per cent) had been disbursed (US \$797,792) for UNDP and US \$775 for UNEP). The balance of US \$1,703,838 will be disbursed by December 2023.

Implementation plan for the second tranche of the HPMP

11. The following activities will be implemented between July 2022 and December 2024:
- (a) Continue the conversion of five AC manufacturing enterprises and one chiller enterprise to the agreed technology (R-290 and/or HFC-32); complete the procurement of equipment, installation, plant modifications and new standard operating procedures and begin implementation of production trials (UNDP) (US \$1,967,866, plus US \$1,232,203 from the previous tranche);
 - (b) Complete seven capacity building workshops for a total of 140 customs and enforcement officers; integrate the HPMP training into the national training programme (UNEP) (US \$21,000 from the previous tranche);
 - (c) Organize 40 workshops to train a total of 1,600 RAC technicians on good servicing practices; develop codes of practice for RAC technicians; design a certification scheme for RAC technicians and conduct pilot trainings (UNEP) (US \$241,225 from the previous tranche);
 - (d) Review and update safety standards for flammable refrigerants and develop promotional materials (UNEP) (US \$35,000 from the previous tranche);
 - (e) Finalize the procurement of six refrigerant identifiers and three sets of training equipment for Customs authorities and training workshops (UNEP) (US \$41,000 from the previous tranche);
 - (f) Carry out awareness and outreach activities including the production of two awareness videos; 10,000 leaflets, factsheets, brochures, and posters; 4,500 RAC training manuals; 500 Customs training manuals; 5,000 seminar folders; and distribution of materials including 150 Customs manuals; 1,500 RAC training manuals and approximately 2,000 other outreach materials (UNEP) (US \$21,000 from the previous tranche); and
 - (g) Monitor project implementation: the PMU will organize two annual project steering committee meetings; continue the engagement of an expert in product design for validation and verification of line conversion projects and ongoing project monitoring and reporting (UNDP) (US \$174,539, plus US \$112,410 from the previous tranche).

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Legal framework

12. The Government of Bangladesh has already issued HCFC import quotas for 2022 at 47.22 ODP tonnes (858 mt) which is consistent with the target in its Agreement with the Executive Committee and the target allowed under the Montreal Protocol.

13. When asked about the Government's commitment to prohibit the manufacturing HCFC-22-based AC (cooling capacity up to 1.5 TR) from 1 January 2024, UNDP informed the Secretariat that the Government of Bangladesh confirms its intention to enact and enforce the ban; however, it is cognisant of the implications that COVID-19 had on the economy. The Government now proposes to initiate the ban on 31 December 2024 instead. UNDP added that the draft ban is being developed and is currently under discussion with the relevant stakeholders. Bangladesh plans to amend its existing ODS Control Rules to

achieve this commitment. There is already a provision banning the manufacture of HCFC-22-based AC for the six AC manufacturing enterprises funded under the HPMP in the Memoranda of Agreement signed with the Government of Bangladesh, which will take effect after the completion of the conversion projects.

Report on HCFC consumption

14. The second tranche of stage II of the HPMP requires the submission of a verification report of HCFC consumption for 2018-2021. Noting the delay in the completion of this report given the need to confirm data through on-site verifications and consultations with the stakeholders including physical visits to the NOU and the Customs authorities, and noting that the 2021 HCFC consumption is 39 per cent below the baseline, the Secretariat is recommending, for consideration by the Executive Committee, approval of this funding tranche request in line with decision 72/19(b)³ and without setting a precedent, on the understanding that:

- (a) The Treasurer would be requested to transfer the approved funds to UNDP only after receipt by the Secretariat of the verification report confirming that the country was in compliance;
- (b) UNDP has committed to submit the verification report at the earliest by June 2022, and no later than 12 weeks prior to the 91st meeting;
- (c) The recommendations included in the verification report would be addressed during the implementation of the second tranche and that the actions implemented towards that end would be included in the progress report of stage II of the HPMP to be submitted with the country's third tranche request; and
- (d) In the unlikely event of non-compliance by the Government of Bangladesh with its Agreement with the Executive Committee, relevant actions would be taken by the Executive Committee.

15. UNDP clarified that the consumption of HCFC-141b in imported pre-blended polyols is in small and micro enterprises manufacturing thermal insulation which do not have the technical or financial means to convert. There has been an increasing demand in Bangladesh for thermal insulation applications and although this sector was impacted by the COVID-19 pandemic it has started recovering. The Government continues to monitor the use of this substance, and is carrying out consultations with importers and consuming enterprises to understand their needs per application, to identify alternative technology options and to propose a proper mechanism to address this specific use.

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

16. The Secretariat noted the progress achieved in the manufacturing sector component of stage II of the HPMP despite the COVID-19 pandemic which had caused delays in the start of the project implementation. However, there has been very little progress in the implementation of the activities in the component for the servicing sector due to the COVID-19 restrictions on travel and in-person meetings as well as administrative delays in internal Government procedures to initiate activities, which have now been resolved.

17. Despite these challenges, the request for approval of the second tranche complies with the conditions for release of funds based on the overall substantive progress reported and on the disbursement of more than 20 per cent of the funds approved in the previous tranche (a 32 per cent disbursement rate was

³ Decision 72/19(b) states that if the verification report were not ready in time, transfer of approved funds to the agencies would occur only after receipt by the Secretariat of the verification report confirming that the country was in compliance.

achieved); however, a significant amount of funds remain from the previous tranche (US \$1.8 million, out of US \$2.5 million approved). Based on the information provided by UNDP, it was noted that for the manufacturing sector, most of the funds had already been committed in the ongoing equipment procurement processes and delivery and, therefore, are not available to fund new activities, and approval of the second tranche request will support the Government of Bangladesh to continue implementing the conversions in the beneficiary enterprises. UNEP's activities in the servicing sector will continue to be implemented with the balance of funds from the previous tranche; there are no fund for activities in the servicing sector from the tranche requested.

Manufacturing sector

18. The Secretariat informed UNDP that in the 2020 and 2021 CP data, there are high imports of R-410A reported which may jeopardize the conversions to R-290 and HFC-32 being undertaken by the beneficiary enterprises. UNDP explained that there has been a growing demand for energy efficient products in the country which has led to an increased consumption of R-410A for the whole sector. This consumption is attributed to other enterprises manufacturing RAC equipment which are not eligible under stage II of the HPMP, and to beneficiary enterprises whose conversion activities are currently ongoing and have not yet completed.

19. UNDP clarified that the use of R-410A in the beneficiary enterprises is to cope with the market demand while plant modifications related to the conversions are being completed to enable the safe manufacture of products with R-290 and HFC-32. According to UNDP, there is little risk that this use could negatively impact the conversion to the alternative technologies because of the following reasons: (i) the cost of these alternatives are lower than R-410A; (ii) experience demonstrates that products based on R-290 and HFC-32 will equal or exceed the energy efficiency gains achieved with R-410A products; and (iii) the Government has committed to put in place the legal framework which will support the uptake of the selected alternatives. The Government of Bangladesh and UNDP continues to monitor the situation to ensure that the conversion happens efficiently.

Refrigeration servicing sector

20. In clarifying the zero-disbursement rate from the first tranche, UNEP explained that the agreement with the Government of Bangladesh was signed only in December 2021 due to administrative delays, and that the first payment is being processed. UNEP also explained that the servicing sector activities such as the training programmes largely need to take place in person; virtual trainings for technicians, while explored, were found difficult and less effective. Therefore, the Government restrictions due to COVID-19 had severely affected the implementation of activities in the servicing sector. UNEP is working closely-with the NOU to implement an accelerated work plan for the delayed activities which includes trainings and other meetings in a hybrid mode to allow better capacity building activities and practical exercises. These activities are expected to be initiated as soon as most restrictions are lifted. UNEP has also submitted a revised project implementation plan for the servicing sector activities which would be completed by 31 December 2023.

21. Activities that involve procurement of equipment are also being prioritised as these are needed to support the training activities, but UNEP is cognizant that the global supply chain continues to face challenges which could delay the delivery.

Revision to the HPMP stage II Agreement

22. In view of the reallocation of the second tranche from 2020 to 2022 and the third tranche from 2022 to 2024, Appendix 2-A of the Agreement between the Government of Bangladesh and the Executive Committee has been updated, and paragraph 17 has been added to indicate that the updated Agreement

supersedes that reached at the 81st meeting, as contained in Annex I to the present document. The full updated Agreement will be appended to the final report of the 90th meeting.

Gender policy implementation

23. In line with decision 84/92(d),⁴ during the implementation of the first tranche staff from the NOU and the PMU participated in a regional workshop on gender mainstreaming and the Multilateral Fund's policy, organized by UNDP. The Government of Bangladesh will, during the implementation of the second tranche, consider gender mainstreaming and equity actions to the extent possible as to encourage full engagement of women in various steps of the project implementation, such as planning, policy and decision making, advisory capacities, monitoring, and evaluation. The NOU will collect sex-disaggregated data where possible for HPMP activities.

Sustainability of the HCFC phase-out

24. The Government of Bangladesh will put in place regulations that include a ban on the use of HCFC-22 in manufacturing AC equipment up to 1.5 TR to support the AC manufacturing sector upon completion of the conversion activities in the beneficiary enterprises, no later than 1 January 2025, revised from the original schedule of 1 January 2024 due to delays in the completion of the conversion in the AC manufacturing sector. Presently, the ban on the import and use of HCFC-141b pure has ensured zero consumption. The import of HCFC-141b in pre-blended polyols needs further regulatory action to mitigate consumption; however, the Government is carrying out consultations to propose a proper mechanism to address this specific use, and at the same time continues to monitor the import of this substance.

Conclusion

25. The Government of Bangladesh continues to effectively implement its HCFC import and export licensing and quota system, achieving compliance with its HCFC consumption based on the data reported under the 2021 country programme implementation report. Despite difficulties associated with restrictions imposed by the COVID-19 pandemic, the conversion of the six enterprises to R-290 and HFC-32 are progressing, and equipment will be delivered by the end of this year. The Government has also committed to ensure support for the AC manufacturing sector as it transitions to low-global-warming-potential alternatives and to an accelerated implementation of the delayed technical assistance activities in the servicing sector including exploring hybrid activities for training programmes. The disbursement rate for the first tranche has exceeded the 20 per cent disbursement threshold. As the verification report could not be concluded and submitted at the time of issuance of the present document due to contingencies related to the COVID-19 pandemic, UNDP has committed to submit the verification report to the Secretariat at the earliest by June 2022, and no later than 12 weeks prior to the 91st meeting. Due to the delay in the submission of the second tranche of stage II of the HPMP, which was due in 2020, the Government of Bangladesh through UNDP as lead implementing agency is requesting to move the third tranche that is due in 2022, to the first meeting of the Executive Committee in 2024; this will allow the country to implement the activities of the second tranche once approved, and the remaining activities from the previous tranche based on the updated work plan submitted.

⁴ Decision 84/92(d) requested bilateral and implementing agencies to apply the operational policy on gender mainstreaming throughout the project cycle.

RECOMMENDATION

26. The Executive Committee may wish to consider:

- (a) Noting:
 - (i) The progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan (HPMP) for Bangladesh; and
 - (ii) That the Fund Secretariat has updated the Agreement between the Government of Bangladesh and the Executive Committee, as contained in Annex I to the present document, specifically: Appendix 2-A, based on the revised tranche schedule due to implementation delays and paragraph 17 added to indicate that the updated Agreement supersedes that reached at the 81st meeting.
- (b) Approving the second tranche of stage II of the HPMP for Bangladesh, and the corresponding 2022-2024 tranche implementation plan, at the amount of US \$2,142,405, plus agency support costs of US \$149,968 for UNDP, on the understanding that:
 - (i) The Treasurer would be requested to transfer the approved funds to UNDP only upon receipt and review of the verification report by the Secretariat in line with decision 72/19(b);
 - (ii) UNDP has committed to submitting the verification report by the end of June 2022 and no later than 12 weeks prior to the 91st meeting;
 - (iii) The recommendations included in the verification report would be addressed during the implementation of the second tranche of stage II of the HPMP and that the actions implemented towards that end would be included in the progress report of the second tranche for stage II of the HPMP for Bangladesh to be submitted with the third tranche request; and
 - (iv) In the event that the verification report confirmed that Bangladesh had not been in compliance with the Montreal Protocol and its Agreement with the Executive Committee, the Secretariat would inform the Executive Committee so that relevant actions, *inter alia*, the application of the penalty clause, could be considered at the 91st meeting.

Annex I

TEXT TO BE INCLUDED IN THE UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BANGLADESH 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

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

17. This updated Agreement supersedes the Agreement reached between the Government of Bangladesh and the Executive Committee at the 81st meeting of the Executive Committee.

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2018	2019	2020	2021	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	65.39	65.39	47.22	47.22	47.22	47.22	47.22	23.61	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	50.86	50.86	47.22	47.22	47.22	30.50	26.50	23.61	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	2,142,405	0	0	0	2,142,405	0	1,071,204	0	5,356,014
2.2	Support costs for Lead IA (US \$)	149,968	0	0	0	149,968	0	74,985	0	374,921
2.3	Cooperating IA (UNEP) agreed funding (US \$)	360,000	0	0	0	0	0	120,400	54,280	534,680
2.4	Support costs for Cooperating IA (US \$)	46,333	0	0	0	0	0	15,496	6,986	68,815
3.1	Total agreed funding (US \$)	2,502,405	0	0	0	2,142,405	0	1,191,603	54,280	5,890,694
3.2	Total support costs (US \$)	196,301	0	0	0	149,968	0	90,481	6,986	433,736
3.3	Total agreed costs (US \$)	2,698,706	0	0	0	2,292,374	0	1,282,084	61,266	6,334,430
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									18.86
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									3.48
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									23.08
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)									0.0
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)									20.2
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)*									1.03
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)									5.15
4.3.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)									0.57
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonne)									0.00
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)									0.00
4.4.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)									0.21
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)									0.00
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 the previous stage (ODP tonnes)									0.07
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)									0.00

Date of completion of stage I as per stage I Agreement: 1 January 2018

* Consumption of HCFC-141b is nil as the Government has imposed a ban on imported bulk HCFC-141b.