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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-third Meeting
Montreal, 15-19 December 2023
Item 7(a)(ii) of the provisional agenda¹

PROGRESS REPORT OF BILATERAL COOPERATION AS AT 31 DECEMBER 2022

Introduction

1. The following non-Article 5 countries currently involved in bilateral cooperation activities submitted progress report² databases: Australia, Canada, France, Germany, Italy, Japan, and Spain. Additional data from earlier progress reports for other non-Article 5 countries previously involved in bilateral cooperation,³ covering data for the projects already reported as financially completed, are included in the consolidated progress report.⁴
2. The progress report of the bilateral cooperation includes the implementation status of projects, including seven HFC-related projects funded under the additional voluntary contributions by 17 non-Article 5 Parties to provide fast-start support for the implementation of the Kigali Amendment.
3. The Secretariat reviewed the status of implementation of each ongoing project on a country-by-country basis, taking into account implementation delays that have occurred with respect to planned completion dates that had been reported in 2022, the potential impact of these delays on the phase-out of controlled substances and the rate of planned disbursements. The analysis contained in the present document is based on ODP tonnes for all controlled substances except for HFCs, which are measured in CO₂-eq tonnes.⁵

¹ UNEP/OzL.Pro/ExCom/93/1

² Progress reports are the only means for indicating the final closure of all funding accounts associated with projects approved by the Executive Committee for bilateral cooperation.

³ Austria, Belgium, the Czech Republic, Denmark, Finland, Hungary, Israel, Poland, Portugal, the Russian Federation, Singapore, the Slovak Republic, South Africa, Sweden, Switzerland, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

⁴ UNEP/OzL.Pro/ExCom/93/14

⁵ In line with decision 84/12(a)(iv), the measurement for HFCs in CO₂-eq tonnes is included in the progress reports submitted to the 93rd meeting.

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.

4. This document consists of the following sections:

- I. Projects approved for all controlled substances under the regular contributions to the Multilateral Fund. It presents a summary of progress in implementation of projects for 2022 and cumulative since 1992 addressing all controlled substances under the Montreal Protocol, including Annex F substances (HFCs). It also contains a review on the status of implementation of each ongoing⁶ project at the country level. It identifies projects with implementation delays and the potential impact on the phase-out of controlled substances, and projects with outstanding issues for consideration by the Executive Committee.
- II. Projects approved for Annex F substances (HFCs) under the additional voluntary contributions for fast-start support for HFC phase-down.⁷
- III. Recommendation.

I. Projects approved for all controlled substances under the regular contributions to the Multilateral Fund

I.1 Progress in implementation of projects for 2022 and cumulative since 1992

5. As of 31 December 2022, the Executive Committee had approved US \$187.5 million in projects for the bilateral agencies, consisting of US \$170.95 million for the implementation of investment and non-investment projects and US \$16.56 million for agency support costs, as shown in table 1.

Table 1: Approved funding by sector for bilateral agencies as at 31 December 2022

Sector	Funding (US \$)
Aerosol	2,051,914
Destruction	1,526,282
Foam	8,093,731
Halon	6,147,361
HFC phase-down plan	609,000
Fumigants	18,226,925
Phase-out plan	76,107,711
Production	10,000,000
Refrigeration	40,910,116
Several	4,759,718
Solvents	2,512,738
Sub-total	170,945,495
Agency support costs	16,559,425
Total	187,504,921

6. In 2022, six new projects and activities were approved. This level of funding is expected to result in the phase-out of 10,538 ODP tonnes and 70,104 CO₂-eq tonnes of consumption of controlled substances. Annex I shows the status of project implementation per country in 2022.

⁶ Ongoing projects are all projects that were under implementation as at 31 December 2022. Key indicators of progress include percentage of funds disbursed and percentage of projects that have begun disbursing funds; funding expected to be disbursed by the end of the year as a percentage of the approved funding; the average length of projected delay in implementation; and information provided in the remarks column in the progress report database.

⁷ In line with decision 84/12(b), a detailed progress report providing an overview of the objectives, status of implementation, key findings and lessons learned, the amounts of HFC phased out where applicable, the level of funds approved and disbursed and potential challenges in completing the projects and activities, is presented in the consolidated progress report (UNEP/OzL.Pro/ExCom/93/14).

7. Table 2 shows the status of project implementation including fund disbursement per project type as at 31 December 2022. Annex II presents analytical information per year since 1992.

Table 2. Status of project implementation by type as at 31 December 2022

Type	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Country programme	9	9	100	340,787	340,787	0	100
Demonstration	38	38	100	9,409,431	9,409,431	0	100
Institutional strengthening (IS)	7	7	100	883,376	883,376	0	100
Investment	256	212	83	117,744,581	105,492,446	12,252,136	90
Project preparation	132	123	93	6,160,111	5,491,245	668,866	89
Technical assistance	214	208	97	27,985,793	26,329,635	1,656,158	94
Training	73	73	100	8,421,416	8,421,416	0	100
Total	729	670	92	170,945,495	156,368,336	14,577,159	91

* Excludes closed and transferred projects.

** Excludes agency support costs.

8. Implementation of projects and activities by the bilateral agencies for 2022 and cumulative since 1992 up to 31 December 2022 is summarized as follows and in table 3:

- (a) **Phase-out:**⁸ In 2022, 43.2 ODP tonnes of consumption of controlled substances were phased out⁹ and an additional 51.6 ODP tonnes of consumption of controlled substances were approved for phase-out. Since 1992, 9,256 ODP tonnes and 65,242 CO₂-eq tonnes of consumption of controlled substances had been phased out, of an expected total of 10,538 ODP tonnes and 70,104 CO₂-eq tonnes from projects approved (excluding cancelled and transferred projects);
- (b) **Disbursements/approvals:** In 2022, US \$3.6 million was disbursed and US \$3.55 million was planned for disbursement based on the 2021 progress report, representing a rate of disbursement of 101 per cent of that planned. Cumulatively, US \$156.37 million had been disbursed out of the total US \$170.95 million approved for disbursement (excluding agency support costs), representing a rate of disbursement of 91 per cent. In 2022, US \$3.82 million was approved for implementation;
- (c) **Number of projects completed:** In 2022, seven projects were completed. Since 1992, 670 projects of the 729 projects approved (excluding closed or transferred projects) were completed, representing a completion rate of 92 per cent;
- (d) **Speed of delivery – investment projects:** Projects that were completed in 2022 were completed on average 56 months after their approval. Since 1992, the average time for completion of investment projects has been 42 months after their approval. First disbursements under these projects occurred, on average, 11 months after they had been approved;
- (e) **Speed of delivery – non-investment projects:** Projects that were completed in 2022 were completed 43 months after their approval. Since 1992, the average time for completion of non-investment projects has been 44 months after their approval. First disbursements under these projects occurred, on average, 13 months after they had been approved;

⁸ Phase-out of ODS is expressed in ODP tonnes and of HFCs in CO₂-eq tonnes.

⁹ No phase-out for HFC-related projects in 2022.

- (f) **Project preparation:** Of the 132 project preparation activities approved by the end of 2022, 123 have been completed, leaving nine ongoing activities. In 2022, no preparation activities were completed;
- (g) **Implementation delays:** A total of 59 projects were under implementation at the end of 2022, experiencing, on average, a delay of 17 months. Fourteen of these projects are classified as “projects with implementation delays”¹⁰ that are subject to the procedures of project cancellation (as demonstration projects, project preparation and IS are not subject to those procedures); and
- (h) **Multi-year agreements (MYAs):** In 2022, 26 MYAs for HCFC phase-out management plans (HPMPs) were under implementation. Since 1992, 87 MYAs have been approved and 61 MYAs have been completed, representing a completion rate of 70 per cent.

9. Table 3 summarized progress made by the bilateral agencies since 1992.

Table 3. Progress made by bilateral agencies since 1992

Phase out achieved		Disbursement (US \$)	Number of projects		Speed of delivery for completion (months)		Average project delays (months)	Number of MYAs	
ODP tonnes	CO ₂ -eq tonnes		Approved	Completed	Investment	Non-investment		Approved	Completed
9,256	65,242	156,368,336	729	670	42	44	17	87	61

HFC-related projects

10. As of 31 December 2022, the Executive Committee had approved 13 HFC-related projects (including three investment projects, five project preparation and five enabling activities) under regular contributions amounting to US \$1,663,988 (excluding agency support costs). A summary of the status of these projects is presented in table 4 and the respective data has already been included in paragraphs 5 to 9.

Table 4. HFC-related projects approved under regular contributions

Type	Number of projects			Funding (US \$)*			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Investment**	3	2	67	764,988	664,988	100,000	87
Project preparation	5	0	0	609,000	8,337	600,663	1
Technical assistance - Enabling activities	5	5	100	290,000	290,000	0	100
Total	13	7	54	1,663,988	963,325	700,663	58

* Excludes agency support costs.

** 45.5 mt (65,242 CO₂-eq tonnes) of 48.9 mt (70,104 CO₂-eq tonnes) of HFCs had been phased out.

11. As of the end of 2022, of the 13 projects approved, two investment projects and five enabling activities had been completed, leaving six ongoing.

12. The five ongoing project preparation activities are for the preparation of Kigali HFC implementation plans and are expected to be completed in 2023 and 2024. The remaining ongoing investment project, approved at the 82nd meeting, with no funds disbursed, is expected to be completed in 2023. Extension of the completion date of this project was approved.

¹⁰ Projects approved over 18 months with disbursement less than 1 per cent, or projects that had not been completed 12 months after the proposed completion date in the progress report (decision 22/61).

13. Of the total cumulative funding approved of US \$1,663,988, US \$963,325 had been disbursed, representing a disbursement rate of 58 per cent.

I.2 Issues identified in project implementation in 2022

14. Further to the review process, several issues were discussed with relevant bilateral agencies and satisfactorily addressed, except for issues on 14 projects classified as projects with implementation delays (including 13 projects related to components of MYAs that are subject to procedures for project cancellation, in line with decision 84/45(c); and one HFC investment project). Annex III to the present document presents those projects classified with implementation delays, and the Secretariat’s recommendations requesting the submission of a report to the 94th meeting.

15. In addition, issues have been identified regarding tranches of MYAs for the phase-out of HCFCs. These issues are also presented in annex III. For each of these projects, a brief description on the status of implementation and the outstanding issues are presented and a recommendation is proposed for consideration by the Executive Committee.

16. Details of progress in implementation of projects associated with the HPMPs for China (servicing sector plan)¹¹ and Colombia¹² (both implemented by Germany), and Nigeria¹³ (implemented by Italy) have been submitted to the 93rd meeting. Recommendations for outstanding issues for these projects, including approval of extension requests, if any, are addressed in the relevant sections of those documents. The issues relating to the HPMPs for Kenya (implemented by France) and Mauritius (implemented by Germany), tranches of which were due at the 93rd meeting but were not submitted, and for China (room air-conditioner manufacturing sector plan) (implemented by Austria), the tranche of which was submitted but later withdrawn, are addressed in the document on tranche submission delays.¹⁴ Outstanding issues for the remaining ongoing projects not included in annex III to the present document, and requests for extension of dates of completion, are addressed below.

17. Of the 50 ongoing projects, excluding project preparation, 19 projects have revised planned dates of completion since the 2021 progress report.

18. In line with decision 82/11(b),¹⁵ the Government of Germany has requested the extension of the duration of one project as shown in table 5.

Table 5. Project for which an extension of the completion date has been requested

Country/project code	Project title	Disbursement (%)	Status/issues	Original date of completion	Date of completion requested
Egypt EGY/PHA/84/INV/142	HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector)	10	Additional time required to complete the remaining training activities with equipment delivered at end of 2023	Dec-23	Jun-24

¹¹ UNEP/OzL.Pro/ExCom/93/47

¹² UNEP/OzL.Pro/ExCom/93/48

¹³ UNEP/OzL.Pro/ExCom/93/77

¹⁴ UNEP/OzL.Pro/ExCom/93/24

¹⁵ Any request for an extension would have to be submitted for approval by the Executive Committee in advance of the project completion date, noting that no new commitments were to be made before the extension had been approved.

II. Projects approved under the additional voluntary contributions for fast-start support for HFC phase-down

19. As of 31 December 2022, the Executive Committee had approved seven HFC-related projects for two bilateral agencies (Germany and Italy) under the additional voluntary contributions amounting to US \$480,000 (excluding agency support costs). A summary of the status of these projects is presented in table 6.

Table 6. Status of approved HFC-related projects as of the end of 2022

Type	Number of projects			Funding (US \$)*			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
Technical assistance – Enabling activities	7	7	100	480,000	479,080	920	99.8

* Excludes agency support costs.

20. As of the end of 2022, all of the seven enabling activities approved had been completed.

21. Of the total cumulative funding approved of US \$480,000, US \$479,080 had been disbursed, representing a disbursement rate of 99.8 per cent.

III. Recommendation

22. The Executive Committee may wish:

- (a) To note, with appreciation, the progress reports submitted by the Governments of Australia, Canada, France, Germany, Italy, Japan and Spain contained in document UNEP/OzL.Pro/ExCom/93/15;
- (b) To approve the extension, to 30 June 2024, of the completion date of stage II of the HCFC phase-out management plan for Egypt (second tranche (refrigeration servicing sector) (EGY/PHA/84/INV/142)), to allow for completion of the remaining ongoing activities as reflected in table 5 of document UNEP/OzL.Pro/ExCom/93/15; and
- (c) To approve the recommendations related to ongoing projects with specific issues contained in annex III to the present document.

Annex I

**OVERVIEW OF STATUS OF PROJECT IMPLEMENTATION FOR BILATERAL AGENCIES
PER COUNTRY FOR 2022**

1. Table 1 of annex I presents the status of project implementation by country for 2022 in achieved phased out, planned and achieved disbursements and project completion.

Table 1. Status of project implementation for 2022

Country	Phased out in 2022 (ODP tonnes)	Phased out in 2022 (CO ₂ -eq tonnes)*	Estimated funds disbursed in 2022 (US\$)	Funds disbursed in 2022 (US\$)	Percentage of funds disbursed over estimation in 2022	Percentage of planned projects completed in 2022**
Argentina	1.3	0	20,000	0	0	
Bangladesh	0.0	0				100
Belize	0.0	0				100
Brazil	17.0	0	940,000	1,569,834	167	
Burkina Faso	0.0	0	10,000	112	1	
China	0.0	0	238,000	259,995	109	
Colombia	0.0	0	47,800	46,652	98	0
Cuba	0.0	0				100
Egypt	0.0	0	30,000	15,307	51	
India	0.0	0	363,484	449,000	124	100
Iran (Islamic Republic of)	1.2	0	197,558	88,683	45	0
Kenya	0.0	0	89,861	76,697	85	
Lao People's Democratic Republic (the)	0.0	0	45,000	0	0	0
Lesotho	0.0	0	45,732	5,732	13	
Liberia	3.2	0	20,850	17,977	86	100
Mauritius	3.1	0	85,000	57,134	67	
Mexico	4.9	0	622,000	450,500	72	33
Mongolia	0.0	0	3,000	1,522	51	
Namibia	0.0	0	39,323	20,517	52	
Nigeria	3.5	0	294,113	252,366	86	0
Papua New Guinea	0.0	0	135,665	68,860	51	0
Seychelles	1.0	0	12,555	12,561	100	0
Tunisia	0.0	0	1	0	0	
Viet Nam	0.0	0	175,592	98,090	56	0
Zimbabwe	8.0	0	61,057	64,384	105	100
Region: ASP	0.0	0	70,000	43,000	61	
Grand total	43.2	0	3,546,591	3,598,923	101	37

* No phase-out in 2022 for HFC-related projects.

** For projects that were planned to be completed in 2022.

Annex II

**OVERVIEW OF STATUS OF PROJECT IMPLEMENTATION FOR BILATERAL AGENCIES
PER YEAR AS AT 31 DECEMBER 2022**

1. Table 1 of annex II presents an overview of the status of project implementation by year.¹ All projects and activities approved between 1992 and 2012 and 2014, have now been completed.

Table 1. Status of project implementation by year

Year	Number of projects*			Funding (US \$)**			
	Approved	Completed	% completed	Approved	Disbursed	Balance	% disbursed
1992	18	18	100	2,883,669	2,883,669	0	100
1993	10	10	100	1,445,586	1,445,586	0	100
1994	30	30	100	3,190,374	3,190,374	0	100
1995	17	17	100	4,654,902	4,654,902	0	100
1996	26	26	100	3,468,211	3,468,211	0	100
1997	32	32	100	4,040,251	4,040,251	0	100
1998	39	39	100	4,108,525	4,108,525	0	100
1999	59	59	100	12,131,407	12,131,407	0	100
2000	29	29	100	4,808,878	4,808,878	0	100
2001	41	41	100	7,523,213	7,523,213	0	100
2002	61	61	100	7,910,174	7,910,174	0	100
2003	32	32	100	6,810,120	6,810,120	0	100
2004	30	30	100	15,005,412	15,005,412	0	100
2005	28	28	100	18,183,034	18,183,034	0	100
2006	25	25	100	7,128,808	7,128,808	0	100
2007	13	13	100	3,138,440	3,138,440	0	100
2008	33	33	100	7,531,037	7,531,037	-1	100
2009	21	21	100	2,347,228	2,347,228	0	100
2010	20	20	100	3,278,389	3,278,389	-1	100
2011	20	20	100	6,821,798	6,821,798	0	100
2012	11	11	100	6,594,959	6,594,959	0	100
2013	7	6	86	2,276,412	2,270,857	5,555	100
2014	14	14	100	1,365,834	1,365,618	216	100
2015	26	25	96	4,921,949	4,712,010	209,939	96
2016	16	10	63	5,129,894	3,644,955	1,484,939	71
2017	9	4	44	2,605,614	2,112,727	492,887	81
2018	16	10	63	7,050,550	5,387,717	1,662,833	76
2019	6	2	33	1,922,831	1,091,160	831,671	57
2020	13	4	31	4,136,467	1,859,795	2,276,672	45
2021	21	0	0	4,708,887	919,082	3,789,805	20
2022	6	0	0	3,822,643	0	3,822,643	0
Total	729	670	92	170,945,495	156,368,336	14,577,159	91

* Excludes closed and transferred projects.

** Excludes agency support costs.

¹ The data is presented according to the year when a project was approved by the Executive Committee. It treats all approvals (investment and non-investment projects) equally (i.e., an investment project or a funding tranche of an MYA of US \$1 million is considered one project, same as a country programme preparation of US \$30,000). Key indicators from the annual summary are: the percentage of projects completed, ODP tonnes/CO₂-eq tonnes phased out, and percentage of funds disbursed. There are three types of disbursements: during implementation, after implementation and for retroactively financed projects.

Annex III

ONGOING PROJECTS WITH OUTSTANDING ISSUES IN THE PROGRESS REPORT FOR BILATERAL AGENCIES

Country/project code	Agency	Project title	Disbursement (%)	Status/Issues	Recommendation
Kenya KEN/PHA/80/INV/62	France	HCFC phase-out management plan (stage II, first tranche)	71	12 months delays	To request the Government of France to report to the 94 th meeting on this project with implementation delays
Kenya KEN/PHA/86/INV/65	France	HCFC phase-out management plan (stage II, second tranche)	0	18 months delays	To request the Government of France to report to the 94 th meeting on this project with implementation delays
Zimbabwe ZIM/REF/82/INV/56	France	Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare)	0	18 months delays	To request the Government of France to report to the 94 th meeting on this project with implementation delays
Brazil BRA/PHA/82/TAS/321	Germany	HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	77	12 months delays	To request the Government of Germany to report to the 94 th meeting on this project with implementation delays
Iran (Islamic Republic of) IRA/PHA/86/INV/250	Germany	HCFC phase-out management plan (stage II, third tranche) (commercial refrigeration sector)	0	18 months delays	To request the Government of Germany to report to the 94 th meeting on this project with implementation delays
Mauritius MAR/PHA/79/INV/27	Germany	HCFC phase-out management plan (third tranche)	55	Implementation of activities delayed	To request the Government of Germany to report to the 94 th meeting on the status of implementation of activities
Mauritius MAR/PHA/86/INV/30	Germany	HCFC phase-out management plan (stage I, fourth tranche)	0	(i) 18 months delays (ii) Implementation of activities delayed	(i) To request the Government of Germany to report to the 94 th meeting on this project with implementation delays (ii) To request the Government of Germany to report to the 94 th meeting on the status of implementation of activities
Mexico MEX/PHA/77/INV/179	Germany	HCFC phase-out management plan (stage II, second tranche) (HC demonstration and training)	23	12 months delays	To request the Government of Germany to report to the 94 th meeting on this project with implementation delays
Namibia NAM/PHA/79/INV/23	Germany	HCFC phase-out management plan (third tranche)	37	Implementation of activities delayed	To request the Government of Germany to report to the 94 th meeting on the status of implementation of activities
Papua New Guinea PNG/PHA/77/INV/15	Germany	HCFC phase-out management plan (third tranche)	94	12 months delays	To request the Government of Germany to report to the 94 th meeting on this project with implementation delays

Country/project code	Agency	Project title	Disbursement (%)	Status/Issues	Recommendation
Seychelles SEY/PHA/70/INV/19	Germany	HCFC phase-out management plan (second tranche)	97	(i) 12 months delays (ii) Implementation of activities delayed	(i) To request the Government of Germany to report to the 94 th meeting on this project with implementation delays (ii) To request the Government of Germany to report to the 94 th meeting on the status of implementation of activities
Seychelles SEY/PHA/75/INV/23	Germany	HCFC phase-out management plan (stage I, third tranche)	6	Implementation of activities delayed	To request the Government of Germany to report on the status of implementation of activities to the 94 th meeting
Iran (Islamic Republic of) IRA/PHA/77/INV/224	Italy	HCFC phase-out management plan (stage II, first tranche) (foam sector)	16	12 months delays	To request the Government of Italy to report to the 94 th meeting on this project with implementation delays
Iran (Islamic Republic of) IRA/PHA/84/INV/237	Italy	HCFC phase-out management plan (stage II, second tranche) (foam sector)	0	12 and 18 months delays	To request the Government of Italy to report to the 94 th meeting on this project with implementation delays
Mexico MEX/PHA/77/INV/180	Spain	HCFC phase-out management plan (stage II, second tranche) (cleaning agent phase-out in refrigeration servicing sector)	100	12 months delays	Noting decision 77/8(j), to request the Government of Spain to report to the 94 th meeting on this project with implementation delays
Mexico MEX/PHA/77/INV/185	Spain	HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector)	100	12 months delays	Noting decision 77/8(j), to request the Government of Spain to report to the 94 th meeting on this project with implementation delays
Mexico MEX/PHA/81/TAS/190	Spain	HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	21	12 months delays	To request the Government of Spain to report to the 94 th meeting on this project with implementation delays