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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 8(b) of the provisional agenda¹

TRANCHE SUBMISSION DELAYS**Introduction**

1. Pursuant to decision 47/50(d),² the Secretariat has prepared the present document. It presents actions taken in response to decisions on tranche submission delays adopted at the 92nd meeting; an analysis of each of the tranches that were due but were not submitted to the 93rd meeting and the tranches that were submitted but subsequently withdrawn during the project review process. It also provides an overview of the reasons for the delays and the impact on compliance with the countries' obligations under the Montreal Protocol, and the Secretariat's recommendation.

I. Follow-up to decisions taken on tranche submission delays at the 92nd meeting

2. At the 92nd meeting, 16³ of the 34 countries that had been scheduled to submit tranche requests, had not done so on time, representing a non-submission rate of 47 per cent. Subsequently, the Executive Committee *inter alia* requested the Secretariat to send letters to the relevant Governments regarding the decisions on tranche submission delays contained in annex VIII to the report of the 92nd meeting (decision 92/20(b)).

3. Pursuant to decision 92/20(b), the Secretariat sent letters to the Governments of 17 Article 5 countries⁴ to urge the submission of the next tranche of their HCFC phase-out management

¹ UNEP/OzL.Pro/ExCom/93/1

² The Executive Committee decided that a separate sub-agenda item on delays in the submission of annual tranches and disbursement of funds for tranches and obligations should be included for future meetings.

³ Excluding Saint Kitts and Nevis, whose tranche request was submitted to the 92nd meeting but was subsequently withdrawn.

⁴ Including two countries that had submitted but subsequently withdrawn their tranche request.

plans (HPMPs). As a result, the Governments of Bahrain,⁵ Burundi,⁶ Morocco,⁷ Nigeria,⁸ Qatar,⁹ Saint Kitts and Nevis,¹⁰ Sierra Leone,¹¹ and Türkiye,¹² submitted respective tranches of their HPMPs to the 93rd meeting.

4. However, the Governments of Afghanistan, Algeria, Bosnia and Herzegovina, Botswana, Dominica, Egypt, Iraq, Kuwait, and the Lao People's Democratic Republic did not submit their tranche requests.

II. Analysis of tranches not submitted to the 93rd meeting

5. Twenty-five activities associated with tranches of HPMPs for 15 countries including those in paragraph 4, at a total value of US \$10,104,096 (including agency support costs), due for submission to the 93rd meeting were not submitted, as shown in annex I to the present document.¹³

6. In addition, the fourth tranche of stage II of the HPMP for China in the room air-conditioner manufacturing and heat pump water heaters sector plan and the fifth tranche of stage II of the HPMP for the Islamic Republic of Iran amounting to US \$8,601,730 (including agency support costs), were submitted to the 93rd meeting, but subsequently withdrawn by the relevant implementing agencies during the project review process. These tranches are also included in annex I to the present report.

III. Reasons for delays and impact on compliance

7. The reasons for delays in the submission of tranches of HPMPs include: disbursement below the 20 per cent threshold of approved funds for the previous tranche (14); Government decisions, and/or endorsements, and/or changes in the national ozone unit, and/or structural change (8); internal or external difficulties (3); enterprise delays (2); submission of progress and financial reports (2); lead or cooperating agency not ready for submission (2); sufficient funds from previous tranche approved (2); signing of agreement or project document (2); constraints imposed by the COVID-19 pandemic (1); lack of verification report (1); political situation or security issues (1); and investment component (1). For the delays in the submissions, more than one reason may apply.

8. As reported by the relevant implementing agencies, delays in the submission of tranches that were past due would have no impact on compliance with the countries' obligations under the Montreal Protocol. All outstanding tranches are expected to be submitted to the 94th meeting except for Afghanistan which will be submitted to the 95th meeting.

⁵ UNEP/OzL.Pro/ExCom/93/41

⁶ UNEP/OzL.Pro/ExCom/93/44

⁷ UNEP/OzL.Pro/ExCom/93/72

⁸ UNEP/OzL.Pro/ExCom/93/77

⁹ UNEP/OzL.Pro/ExCom/93/83

¹⁰ UNEP/OzL.Pro/ExCom/93/84

¹¹ UNEP/OzL.Pro/ExCom/93/86

¹² UNEP/OzL.Pro/ExCom/93/90

¹³ For comparison, at the 92nd meeting, 25 tranches for 16 countries that were due were not submitted.

IV. Recommendation

9. The Executive Committee may wish:

- (a) To note:
 - (i) The report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/93/24;
 - (ii) The information on tranche submission delays under HCFC phase-out management plans (HPMPs) submitted by the Governments of France and Germany and UNDP, UNEP and UNIDO;
 - (iii) That 31 out of 56 activities (16 out of 31 countries) related to tranches of HPMPs due for submission at the 93rd meeting had been submitted on time;
 - (iv) That relevant bilateral and implementing agencies had indicated that the late submission of the tranches of HPMPs due for submission at the second meeting of 2023 would have no impact on countries' compliance with the Montreal Protocol, and that there was no indication that any of the countries concerned were in non-compliance with the Montreal Protocol control measures; and
- (b) To request the Secretariat to send letters to the relevant Governments regarding the decisions on tranche submission delays contained in annex I to the present report.

Annex I

TRANCHES NOT SUBMITTED TO THE 93RD MEETING

Country	Agency	Tranche	Amount (with support costs) (US \$)	Reason for delay/withdrawal	Recommendations
Afghanistan (Stage II)	UNEP	2023	215,265	Government decisions/endorsements/changes in the NOU/internal or external difficulties	Noting the delays due to political instability and the changes in the national ozone unit (NOU), and that the overall disbursement rate of the first (2020) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, also noting that UNEP, at the 94 th meeting, would transfer its project component and associated remaining balances to UNIDO as per the request from the Government of Afghanistan, and urging the Government of Afghanistan to work with UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 95 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
	UNIDO	2023	98,100	Political situation or security issues/20 per cent disbursement threshold	
Algeria (Stage I)	UNIDO	2014 and 2017	197,898	Enterprise delays/Government decisions/endorsements/changes in the NOU	Noting the enterprise delays due to the challenges in the production of air-conditioning units based on HFC-32 and urging the Government of Algeria to work with UNIDO so that the third (2014) and fourth (2017) tranches of stage I of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2014 and subsequent tranches.
Bosnia and Herzegovina (Stage II)	UNIDO	2023	318,640	20 per cent disbursement threshold	Noting that the overall disbursement rate of the first (2021) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Bosnia and Herzegovina to work with UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Botswana (Stage II)	UNEP	2023	216,683	Government decisions/endorsements/changes in the NOU/20 per cent disbursement threshold	Noting the delays due to the changes in the NOU, and that the overall disbursement rate of the first (2020) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Botswana to work with UNEP and UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
	UNIDO	2023	160,500	Government decisions/endorsements/changes in the NOU/20 per cent disbursement threshold	

Country	Agency	Tranche	Amount (with support costs) (US \$)	Reason for delay/withdrawal	Recommendations
China (Stage II – room air-conditioner manufacturing and heat pump water heaters sector plan)	Austria	2023	783,667	20 per cent disbursement threshold	Noting that the fourth (2023) tranche of stage II of the HPMP for the room air-conditioner manufacturing and heat pump water heaters sector plan submitted to the 93 rd meeting had been withdrawn because the overall disbursement rate of the third (2021) tranche of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of China to work with the Government of Austria and UNIDO so that the fourth (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
	UNIDO	2023	6,741,000	20 per cent disbursement threshold	
Dominica (Stage I)	UNEP	2020	18,588	COVID-19 pandemic disruption/ Government decisions/endorsements/ changes in the NOU/lack of verification report/submission of progress and financial reports/internal or external difficulties	Noting the delays due to the changes in the NOU and non-submission of the progress and financial reports, and that the mandatory verification on HCFC consumption targets had not been completed, and urging the Government of Dominica to submit the required progress and financial reports and to work with UNEP to complete the verification so that the third (2020) tranche of stage I of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2020 tranche.
Egypt (Stage II)	UNIDO	2023	4,322,172	20 per cent disbursement threshold/ enterprise delays	Noting that the overall disbursement rate of the third (2021) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Egypt to work with UNIDO and UNEP so that the fourth (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
	UNEP	2023	201,506	Signing of agreement/project document	

Country	Agency	Tranche	Amount (with support costs) (US \$)	Reason for delay/withdrawal	Recommendations
Iran (Islamic Republic of) (Stage II)	UNDP	2023	361,510	Despite progress in the activities implemented, no substantial progress achieved on the overall HPMP, and zero disbursement and low level of progress reported from the last approved tranche to the Government of Germany at the 90 th meeting and transferred to UNDP at the 92 nd meeting	Noting that the fifth (2023) tranche of stage II of the HPMP submitted to the 93 rd meeting had been withdrawn, and urging the Government of the Islamic Republic of Iran to work with UNDP, UNEP and UNIDO so that the fifth (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches including a report on additional progress achieved in the ongoing activities, a revised proposal to assist the remaining polyurethane foam enterprises based on their eligibility, and a detailed report on consumption in line with decision 84/74(c).
	UNIDO	2023	558,153	Additional time required to develop a revised proposal to assist the remaining polyurethane foam enterprises based on their eligibility and consumption to be provided in a detailed report in line with decision 84/74(c)	
	UNEP	2023	157,400	Zero disbursement from the last approved tranche at the 86 th meeting and no progress reported on substantive planned activities	
Iraq (Stage II)	UNEP	2022	652,529	Lead or cooperating agency not ready for submission	Noting the delays due to the cooperating agency not being ready for submission, and urging the Government of Iraq to work with UNEP and UNIDO so that the second (2022) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2022 and subsequent tranches.
	UNIDO	2022	342,400	20 per cent disbursement threshold	
Kenya (Stage II)	France	2023	671,075	20 per cent disbursement threshold	Noting that the overall disbursement rate of the second (2020) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Kenya to work with the Government of France so that the third (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.

Country	Agency	Tranche	Amount (with support costs) (US \$)	Reason for delay/withdrawal	Recommendations
Kuwait (Stage II)	UNEP	2023	1,130,242	20 per cent disbursement threshold/sufficient funds from previous tranche approved	Noting that the overall disbursement rate of the first (2021) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Kuwait to work with UNEP and UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
	UNIDO	2023	307,732	20 per cent disbursement threshold	
Lao People's Democratic Republic (Stage II)	UNEP	2023	98,423	Submission of progress and financial reports/20 per cent disbursement threshold	Noting the delays due to non-submission of the progress and financial reports, and urging the Government of Lao People's Democratic Republic to submit the required progress and financial reports and to work with UNEP and UNDP so that the second (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches.
	UNDP	2023	70,283	Government decisions/endorsements/changes in the NOU	
Mauritius	Germany	2023	75,642	20 per cent disbursement threshold	Noting that the overall disbursement rate of the fourth (2020) tranche of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Mauritius to work with the Government of Germany so that the fifth (2023) tranche of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Nepal (Stage II)	UNEP	2023	75,710	Government decisions/endorsements/changes in the NOU/20 per cent disbursement threshold	Noting the delays due to the changes in the NOU, and that the overall disbursement rate of the first (2020) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Nepal to work with UNEP and UNDP so that the second (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
	UNDP	2023	137,340	Government decisions/endorsements/changes in the NOU/20 per cent disbursement threshold	
Senegal (Stage II)	UNEP	2023	202,835	Signing of agreement/project document	Noting the delays due to the signing of the agreement, and urging the Government of Senegal to work with UNEP and UNIDO so that the second (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches.
	UNIDO	2023	103,550	Internal or external difficulties	

Country	Agency	Tranche	Amount (with support costs) (US \$)	Reason for delay/withdrawal	Recommendations
Sri Lanka (Stage II)	UNDP	2023	313,724	20 per cent disbursement threshold	Noting that the overall disbursement rate of the first (2020) tranche of stage II of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Sri Lanka to work with UNDP and UNEP so that the second (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
	UNEP	2023	96,954	Investment component	
Timor-Leste (Stage II)	UNEP	2023	46,330	Sufficient funds from previous tranche approved	Noting the delays due to sufficient funds from the previous tranche approved, and urging the Government of Timor-Leste to work with UNEP and UNDP so that the third (2023) tranche of stage II of the HPMP could be submitted to the 94 th meeting with a revised plan of action to take into account the reallocation of the 2023 and subsequent tranches.
	UNDP	2023	29,975	Lead or cooperating agency not ready for submission	
Total			18,705,826		