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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-sixth Meeting
Montreal, 16-20 April 2012

Corrigendum

REPORT OF THE SIXTY-SIXTH MEETING OF THE EXECUTIVE COMMITTEE

This document is issued to:

- **Replace** US \$1,407,221 **with** US \$1,363,575 in paragraph 73(f)(iii).



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EXECUTIVE COMMITTEE OF
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Sixty-sixth Meeting
Montreal, 16-20 April 2012

Corrigendum

REPORT OF THE SIXTY-SIXTH MEETING OF THE EXECUTIVE COMMITTEE

This document is issued to:

- **Replace** “(polyurethane foam sector phase-out: Kuwait polyurethane Industry Co.; Kirby Building Systems, technical assistance to spray foam users and other small users)” **with** “(polyurethane foam sector phase-out: technical assistance to spray foam users)” on page 13 of Annex IX.
- **Replace** the figures under columns ODP (tonnes) and Funds approved **with** “3.3”, “\$15,000”, “\$1,125”, and “\$16,125” on page 13 of Annex IX.
- **Replace** the figures under columns ODP (tonnes) and Funds approved **with** “57.5”, “\$3,510,450”, “\$263,284”, and “\$3,773,734” on page 14 of Annex IX.
- **Replace** the figures under column Funds approved for UNIDO **with** “\$12,000”, “\$900”, and “\$12,900” on page 15 of Annex IX.



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14 May 2012

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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-sixth Meeting
Montreal, 16-20 April 2012

REPORT OF THE SIXTY-SIXTH MEETING OF THE EXECUTIVE COMMITTEE

Introduction

1. The 66th meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization, Montreal, Canada, from 16 to 20 April 2012.
2. The meeting was attended by representatives of the following countries, members of the Executive Committee in accordance with decision XXIII/19 of the Twenty-Third Meeting of the Parties to the Montreal Protocol:
 - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Belgium, Canada, Finland, Japan, the United Kingdom of Great Britain and Northern Ireland (Vice-Chair) and the United States of America; and
 - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Argentina, China (Chair), Cuba, India, Jordan, Kenya, and Mali.
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth Meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), both as implementing agency and as Treasurer of the Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the Meeting as observers.
4. The Deputy Executive Secretary of the Ozone Secretariat and the President and Vice-President of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol were also present.

5. Representatives of the Global Environment Facility, the Environmental Investigation Agency and the Alliance for Responsible Atmospheric Policy attended as observers. A senior journalist from the New York Times was also present as an observer.

AGENDA ITEM 1: OPENING OF THE MEETING

6. The meeting was opened by the Chair, Mr. Xiao Xuezhi (China), who said that the replenishment approved for the 2012-2014 triennium amounted to US \$450 million and that business planning at the present meeting would set the direction for the year's work. The Secretariat had informed the Committee that the current business plans for the triennium exceeded the budget by some US \$102.9 million and that, while over-programming had occurred in the past, members had to be diligent when reviewing activities so that the resources available could be allocated efficiently.

7. He also reminded the Committee that 106 HCFC phase-out management plans (HPMPs) had been approved by the Committee so far and that a further 16 new HPMPs were for consideration at the present meeting, together with four requests for second tranches of HPMP funding and two pilot projects for ODS disposal. The agencies' work programmes also contained some projects that required individual consideration, among which were a funding request for a guidebook on refrigeration systems, and project preparation funds for a regional ODS disposal project in Africa.

8. The Committee would also consider a number of reports by the Secretariat, four of which related to Executive Committee policy on HCFC phase-out and were intended to provide guidance to the Secretariat for the efficient review of HPMPs. Other documents included an analysis of the options for an administrative cost regime for the 2012-2014 triennium, consideration of the exact nature, content and timing of information to be provided in the progress reports, and ways to further systematize and streamline reporting on progress across the spectrum of reports. Under the agenda item on monitoring and evaluation, the compilation of comments received on the desk study on the evaluation of multi-year agreement (MYA) projects and the desk study on the evaluation of methyl bromide (MB) projects were of particular importance.

9. In closing, the Chair reminded the Committee that the Production Sector Sub-Group would have to be reconvened as it had to deal with issues related to the CFC production sector, the technical audit of the HCFC production sector in China and to finalize the guidelines for funding phase-out of HCFC production.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

10. The Committee agreed to consider under agenda item 14 (Other matters) the distribution of confidential documents, a report by UNEP on progress by Nepal in ratifying the Copenhagen Amendment, and the dates and venues of the 67th and 68th meetings of the Executive Committee.

11. The Executive Committee adopted the following agenda for the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/66/1, and as amended orally at the meeting.

1. Opening of the meeting.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.

3. Secretariat activities.
4. Status of contributions and disbursements.
5. Status of resources and planning:
 - (a) Report on balances and availability of resources;
 - (b) Financial planning for 2012-2014;
 - (c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol.
6. 2012-2014 business plans:
 - (a) Consolidated business plan of the Multilateral Fund;
 - (b) Business plans of the implementing agencies:
 - (i) Bilateral agencies;
 - (ii) UNDP;
 - (iii) UNEP;
 - (iv) UNIDO;
 - (v) World Bank.
7. Programme implementation:
 - (a) Monitoring and evaluation:
 - (i) Compilation of comments and responses received on the desk study on the evaluation of multi-year agreement projects (decision 65/7);
 - (ii) Terms of reference for the evaluation of multi-year agreement projects (second phase);
 - (iii) Desk study on the evaluation of methyl bromide projects;
 - (b) Annual tranche submission delays;
 - (c) Report on implementation of approved projects with specific reporting requirements;
 - (d) Systematizing and streamlining reporting on progress to the Executive Committee across the spectrum of reports.
8. Options for an administrative cost regime for the 2012-2014 triennium (decision 65/18).
9. Project proposals:
 - (a) Overview of issues identified during project review;

- (b) Bilateral cooperation;
 - (c) Work programmes:
 - (i) 2012 work programme of UNDP;
 - (ii) 2012 work programme of UNEP;
 - (iii) 2012 work programme of UNIDO;
 - (d) Investment projects.
10. Provision of information on second-stage conversions:
- (a) Information on previous conversions funded by the Multilateral Fund, including conditions under which agreements were signed with Article 5 countries on the phase-out of CFCs;
 - (b) Options for a tracking system for HCFC-141b-based pre-blended polyols exported by systems houses and used by foam enterprises in importing Article 5 countries.
11. Incremental costs related to retooling for manufacturing heat exchangers (decisions 61/45 and 62/61).
12. Report on the Multilateral Fund Climate Impact Indicator (decisions 59/45, 62/62, 63/62, 64/51 and 65/48).
13. Report of the Production Sector Sub-Group.
14. Other matters.
15. Adoption of the report.
16. Closure of the meeting.

(b) Organization of work

12. The Chief Officer suggested that, in view of the desire expressed by some members to consider HPMP project proposals earlier in the meeting, agenda item 7 should be taken up after agenda item 9, with the exception of sub-item 7(c), which should be addressed before agenda item 9 as it might have an impact on the discussions thereunder.

13. The Chair informed members that the Secretariat had received a request from a senior journalist at the New York Times to attend the 66th meeting as an observer. If there were no objections, he proposed that the journalist be granted observer status at the present meeting.

14. The meeting agreed to reconvene the Production Sector Sub-Group with the following composition: Argentina, Canada (facilitator), China, Cuba, Finland, India, Japan, Jordan, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

15. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/66/2, which provided an overview of the work done by the Secretariat since the 65th meeting. This had included contributing information on the Multilateral Fund to UNEP's publication on the Green Economy and to the Australian Multilateral Assessment of March 2012 prepared by the Australian Agency for International Development.

16. The Secretariat had prepared more than 50 documents for the meeting, reviewing funding requests amounting to more than US \$111.5 million, of which 19 concerned HPMPs. Of the projects before the Committee, 52 were for individual consideration, representing a total funding level of over US \$80 million.

17. In the ensuing discussion, given the potential changes within the Russian administration following the elections, one member questioned the utility of the upcoming April mission to Moscow by the Chief Officer, the Senior Administrative and Fund Management Officer and the Treasurer to discuss the Russian Federation's outstanding contributions to the Multilateral Fund. In response, the Chief Officer said that the Secretariat had initially shared that concern, but exchanges by correspondence with the relevant focal points in Moscow in the Ministry of the Environment and Natural Resources, had convinced the Secretariat that initial changes within the Government would affect only the Cabinet and a few senior director positions. It was likely that postponement of the mission would result in loss of momentum and, together with Government changes, in the meeting being rescheduled to no earlier than the end of the year. Furthermore, as it had previously been difficult to engage with the Ministry of Finance, and it was therefore deemed important to follow up the invitation to meet with the Ministry in April. The Chief Officer said that she was hopeful that the meeting would lead to an agreement that the Russian Federation would start paying its contributions during the present triennium, while recognizing that such an agreement would simply be the beginning of a process that would take some time to finalize.

18. The Executive Committee took note with appreciation of the report on Secretariat activities.

AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS

19. The Treasurer introduced document UNEP/OzL.Pro/ExCom/66/3 and provided updated information on countries' contributions to the Fund as at 13 April 2012. He indicated that additional contributions amounting to approximately US \$12,500,000 had been received since the document had been published. He also informed the members that 13 Parties had paid all or part of their 2012 pledges, representing 15 per cent of the total.

20. The Executive Committee decided:

- (a) To take note of the report of the Treasurer on the status of contributions and disbursements and the information on promissory notes as contained in Annex I to the present report;
- (b) To urge all Parties eligible to use the fixed-exchange-rate mechanism (FERM) to advise the Treasurer of their intention to do so before the 67th meeting of the Executive Committee;
- (c) To request the Treasurer to add to his report to the Executive Committee the list of Parties that had opted to use the FERM in making their contributions to the Fund during the replenishment period 2012-2014; and

- (d) To urge all Parties with outstanding pledges to pay their contributions to the Multilateral Fund in full and as early as possible.

(Decision 66/1)

AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING

(a) Report on balances and availability of resources

21. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/4. She indicated that, given the total amount requested for funding projects at the meeting, it was possible that the total resources available would be insufficient to cover project approvals and other costs.

22. One member, in seeking clarification on the return of interest accrued on Italy's bilateral activities, was advised by the Secretariat that interest amounting to US \$261,583 had been returned and recorded as additional income to the Fund. Another member pointed out that the required funding level for projects in document UNEP/OzL.Pro/ExCom/66/20 was lower than both the resources available and the funding requirements indicated in the report. The representative of the Secretariat replied that the figure in question consisted of funding for projects recommended for approval by the Secretariat, while the figure in the report was the total amount requested.

23. The Executive Committee decided:

(a) To note:

- (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/66/4;
- (ii) That the net level of funds being returned by the implementing agencies to the 66th meeting was US \$2,773,074 against projects, which included the return of US \$676,933 from UNDP, US \$52,098 from UNEP, US \$130,094 from UNIDO, and US \$1,913,949 from the World Bank;
- (iii) That the net level of support costs being returned by the implementing agencies to the 66th meeting was US \$255,236 against projects, which included the return of US \$73,257 from UNDP, US \$6,773 from UNEP, US \$13,866 from UNIDO, and US \$161,340 from the World Bank;
- (iv) That the return from the World Bank included the transfer of US \$1,835,205, plus US \$154,294 in support costs, from the World Bank to UNEP for the national CFC phase-out plan for the Philippines, in accordance with decision 65/10(e);
- (v) That implementing agencies had balances totalling US \$1,235,799, excluding support costs, from projects completed over two years previously, which included US \$362,381 for UNDP, US \$266,972 for UNEP and US \$606,446 for UNIDO;
- (vi) That the Government of France had unobligated balances totalling US \$78,440, excluding support costs, attributed to a project completed over two years previously;
- (vii) That UNIDO's report to the 66th meeting reflected no unobligated balances for completed projects, as a follow-up to decisions 64/2(i) and 65/2(b);

- (viii) That the net level of funds and support costs being returned by the Governments of Italy and Japan at the 66th meeting was US \$382 and US \$77,950, respectively, and to request the Treasurer to follow up with Italy and Japan on their returns in cash to the Fund;
- (ix) Italy's return of accrued interest of US \$261,583 as additional income directly to the Fund; and
- (b) To request agencies with long-outstanding obligated balances on projects completed in 2005, 2006 and 2007 to return these balances as soon as possible.

(Decision 66/2)

(b) Financial planning for 2012-2014

24. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/5, which contained an assessment of cash flow issues for the 2012 budget, and drew attention to the fact that while 85 per cent of pledges were paid in the year in which they were due, the encashment of promissory notes from one major contributing Party was not possible until after the triennium in which they were due.

25. It was suggested that those Parties that did not provide for accelerated encashment of promissory notes either allow the Treasurer to accelerate the encashment schedule or adjust their schedules for future promissory notes to correspond to the year in which the contributions were due. However, one member indicated that, in the case of the Government of Germany, such a change would require approval from Parliament, and requested that the wording of the recommendation not be changed.

26. It was also suggested that bilateral agencies specify indicative costs of their planned activities in their annual business plans and that they should also be requested to make efforts to remain within those indicative costs.

27. The Executive Committee decided:

- (a) To take note of the report on financial planning for the 2012-2014 triennium contained in document UNEP/OzL.Pro/ExCom/66/5;
- (b) To request:
 - (i) That bilateral agencies specify the costs of planned activities in their annual business plans and make efforts to remain within the estimates specified when submitting those projects during the 2012-2014 triennium;
 - (ii) Those contributing Parties that did not provide for accelerated encashment of promissory notes to consider either allowing the Treasurer to accelerate the encashment schedule or adjusting their encashment schedules for future promissory notes to correspond to the year in which the contributions were due;
 - (iii) The Government of Germany to provide an update through the Treasurer on its efforts with regard to encashment of its promissory notes prior to the 67th meeting of the Executive Committee;
- (c) To urge:
 - (i) Parties to pay their contributions for each year by June, in accordance with paragraph 7 of decision XI/6 of the Eleventh Meeting of the Parties, so as to

enable full commitment of the US \$450 million budget during the 2012-2014 triennium, as provided in paragraph 3 of decision XXIII/15 of the Twenty-third Meeting of the Parties;

- (ii) Those contributing Parties with arrears from the 2009-2011 triennium to pay them during 2012, as they accounted for US \$10.3 million of the US \$34.9 million carry-over from the 2009-2011 triennium, noting that US \$24.6 million of the funds carried over were available for commitment;
- (iii) Countries with economies in transition that had not previously paid their contributions to make their contributions to the Multilateral Fund for the 2012-2014 triennium;
- (d) To consider the availability of cash flow for the 2014 budget at the first meeting of 2014 in light of the collection of interest, the payment of contributions from Parties that had not previously paid, and any losses due to non-payment or the fixed-exchange-rate mechanism; and
- (e) To adopt a resource allocation of US \$145 million in 2012, US \$145 million in 2013, and US \$160 million in 2014, with any unallocated funds to be allocated subsequently during the 2012-2014 triennium.

(Decision 66/3)

(c) Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol

28. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/6, indicating that 22 of the 25 compliance-related issues before the Implementation Committee had not yet been reported as resolved. Web-based reporting for country programme data had improved, with 59 countries having submitted data for 2010 using the web-based system. The information gathered by the Secretariat pursuant to decision 65/4 had revealed staff turnover, security situations at a country's borders, and the lack of approval of ODS regulations to be the main reasons for poor operation of licensing systems. The representative of the Secretariat was able to report, however, that the licensing system of the Cook Islands was ready to operate, and that of the Democratic Republic of the Congo was now operating well. Lesotho was still awaiting approval of its ODS regulations before its licensing system could become functional. With respect to implementation delays, six of the 22 projects listed with implementation delays had been completed and additional status reports had been requested.

29. In response to a request for confirmation of the need to cancel a project, UNIDO confirmed that the project to phase out HCFC-141b from the manufacturing of polyurethane rigid foam at Pavusin in Croatia could be cancelled by mutual agreement with the country. An official letter had been sent to the Secretariat explaining that the project could not continue because of financial difficulties at the enterprise. The project for the phase-out of consumption in the manufacture of aerosol metered dose inhalers (MDIs) in Mexico was also discussed as it was being proposed for possible cancellation. One member pointed out that the project had been completed by September 2011, and therefore could not be cancelled.

30. Following the discussion, the Executive Committee decided:

- (a) To note:
 - (i) With appreciation, the status reports and reports on projects with implementation delays submitted to the Secretariat by the implementing agencies and the

Governments of France, Italy, Japan and Portugal addressed in document UNEP/OzL.Pro/ExCom/66/6;

- (ii) That 59 country programme implementation reports for the year 2010 had been submitted through the web-based system, which had been initiated on 25 April 2007;
 - (iii) The completion of seven of the 22 projects listed with implementation delays, as indicated in Annex III to document UNEP/OzL.Pro/ExCom/66/6 and as updated at the meeting;
 - (iv) That the Secretariat and the implementing agencies would take established actions according to the Secretariat's assessments (some progress as per Annex IV to document UNEP/OzL.Pro/ExCom/66/6) and report to and notify governments and implementing agencies as required;
- (b) To request:
- (i) That a letter of possible cancellation be sent in respect of the project Global technical assistance programme in the chiller sector (GLO/REF/48/TAS/275) implemented by UNEP;
 - (ii) Additional status reports on the projects listed in Annexes II and III to the present report;
 - (iii) The Governments of Israel and Spain to provide their report on projects with implementation delays to the 67th meeting of the Executive Committee; and
 - (iv) The cancellation by mutual agreement of the project Phase-out of HCFC-141b from the manufacturing of polyurethane rigid foam at Pavusin (CRO/FOA/59/INV/34) implemented by UNIDO.

(Decision 66/4)

AGENDA ITEM 6: 2012-2014 BUSINESS PLANS

(a) Consolidated business plan of the Multilateral Fund

31. The representative of the Secretariat presented the consolidated 2012-2014 business plan of the Multilateral Fund contained in documents UNEP/OzL.Pro/ExCom/66/7 and Add.1, indicating that the value of all the activities submitted by the bilateral and implementing agencies would exceed the budget for the 2012-2014 period by approximately US \$102.9 million. The Secretariat had recommended adjustments based on existing decisions that would reduce the budget deficit to US \$89.06 million. A number of issues had been raised during the preparation of the consolidated business plan regarding, *inter alia*, guidelines for stage II of HPMP preparation, the availability of funding for the production sector, and activities that would reduce HCFC consumption beyond the 10 per cent reduction of the baseline. The representative of the Secretariat also drew the Executive Committee's attention to the request for funding for HCFC activities in the United Arab Emirates, included in UNEP's business plan.

32. A number of members voiced concerns at exceeding the budget, considering that the overall business plans should be adjusted to reflect the agreed budget as much as possible. For example, a cost-effectiveness value for the rigid foam sector that reflected the overall threshold for the entire foam sector should be applied and the project for promoting alternatives to HCFCs in air-conditioning sectors

in high-ambient temperature countries in West Asia should reflect the values of similar approved technical assistance projects (US \$200,000 to US \$250,000).

33. On the particular topic of ODS destruction projects, it was noted that some leeway might be provided to include in the business plans only those ODS destruction projects for which preparation funds had already been granted by the Multilateral Fund.

34. There was a lengthy discussion on removing production sector activities for swing plants from the business plans. It was noted that the Executive Committee had decided not to allow eligibility of funding for swing plants in its CFC production sector agreements; however, the eligibility of such plants was under consideration in the context of discussion on the HCFC production sector guidelines. It was suggested that swing plant activities could be brought forward by countries again if and when the production sector guidelines were approved. The member for India stated that if swing plants could not be included in the business plans, his country would have no choice but to return to the pre-2007 HCFC phase-out schedule.

35. Concerning HCFC phase-out activities in the United Arab Emirates included in UNEP's business plan, some members pointed out that the United Arab Emirates had successfully phased out CFCs without assistance from the Multilateral Fund, and that the country's gross domestic product outstripped that of many of the non-Article 5 countries that contributed to the Multilateral Fund. In addition, funding of its HCFC phase-out activities had not been taken into account in the report of the Technology and Economic Assessment Panel on replenishment and, given the limited funds for the triennium and the current over-programming, any funds allocated to that country would reduce the availability of funds required for compliance by other countries. One member explained that the United Arab Emirates had initially been given Article 5 status by the Parties at their First Meeting, but it had been reversed. The representative of the Ozone Secretariat reviewed the history of the status of the Party, noting that when it had requested Article 5 status, it had stated that it would not be seeking funding from the Multilateral Fund for national phase-out programmes. Subsequent to that request, the Implementation Committee had recommended that the country be re-classified as an Article 5 country, but specifically urged it not to seek financial assistance from the Multilateral Fund for national programmes, pursuant to decision VI/5 of the Sixth Meeting of the Parties. Finally, he noted that unlike the situation with other re-classified countries, the recommendation had never been ratified by a Meeting of the Parties. Several members suggested that activities for the United Arab Emirates should be removed from the business plan as its status as an Article 5 country was unclear. Following the discussion, the member for Jordan asked that the request from the United Arab Emirates to be eligible for assistance be postponed to allow time for consultation with the Government.

36. Members also discussed the scope of guidelines for the preparation of stage II of HPMPs and suggested that options for phase-out to 2020 and for total phase-out should be addressed. In considering the inclusion of climate impact data in the business plans, it was suggested that there was insufficient detail to make a reliable estimate as it was not possible to take into account energy savings, which were central to any estimate of climate impact.

37. Following the discussion, the Executive Committee decided:

- (a) To endorse the consolidated 2012-2014 business plan of the Multilateral Fund, as contained in documents UNEP/OzL.Pro/ExCom/66/7 and Add.1 as further adjusted by the Secretariat and the Executive Committee, while noting that endorsement denoted neither approval of the projects identified therein nor their funding or tonnage levels, and based on its consideration:

- (i) To adjust the business plans of the bilateral and implementing agencies as proposed by the Secretariat in documents UNEP/OzL.Pro/ExCom/66/7 and Add.1;
 - (ii) To also adjust the business plans of the bilateral and implementing agencies by applying the cost-effectiveness threshold of US \$6.92/kg to all foam projects, including those in the rigid polyurethane foam sector;
 - (iii) To limit new HCFC phase-out activities that would exceed a 10 per cent reduction of the baseline to no more than a 35 per cent reduction of the baseline in non-low-volume-consuming countries for those activities in the business plan that had not yet been submitted;
 - (iv) To maintain in the business plans of the bilateral and implementing agencies only those ODS destruction projects for which project preparation funds had already been approved by the Executive Committee;
 - (v) To remove phase-out activities involving swing plants, pending an Executive Committee decision on funding eligibility for swing plants, on the understanding that requests for such activities could be reintroduced into the business plans of the implementing agencies after the Executive Committee had agreed on the HCFC production sector guidelines, as appropriate;
 - (vi) To remove activities for the United Arab Emirates on the understanding that the Executive Committee would defer the request of the United Arab Emirates for assistance from the Multilateral Fund to a future meeting to allow more time for discussion with the country;
 - (vii) To further adjust all new activities in the business plan to the budget allocation for the 2012-2014 triennium;
- (b) To maintain the project for promoting alternatives to HCFCs in air-conditioning sectors in high-ambient temperature countries in West Asia in the business plan for 2012, with adjusted funding of US \$250,000 for the entire project;
 - (c) To request the Fund Secretariat, in cooperation with the implementing agencies, to prepare guidelines for stage II of HCFC phase-out management plan preparation in the light of any comments raised during the meeting, including options for phase-out up to the 2020 control target and for total phase-out in accordance with the Montreal Protocol schedule, and to present a first draft of such guidelines to the 69th meeting of the Executive Committee;
 - (d) To request the Fund Secretariat to discontinue climate impact data reporting at the business plan stage of project consideration; and
 - (e) To monitor the results of proposed funding distributions in the light of approved commitments to ensure that planned funding would be available to meet commitments for both the HCFC consumption and production sectors.

(Decision 66/5)

(b) Business plans of the implementing agencies

(i) Bilateral agencies

38. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/8. He pointed out that while Japan had not submitted an expected revision to its business plan, Parties could implement activities for up to 20 per cent of their annual pledged contribution regardless of whether or not such activities were in a business plan. Members expressed concern regarding the level of over-programming in Germany's business plan.

39. The Executive Committee decided:

- (a) To take note of the 2012-2014 business plans for bilateral cooperation submitted by the Governments of Germany and Japan, as addressed in document UNEP/OzL.Pro/ExCom/66/8;
- (b) To note Germany's confirmation that it would continue to adjust its business plan, including by taking the necessary steps with Article 5 partner countries and bilateral or implementing agencies, so that it remained within the range of its 20 per cent bilateral contribution; and
- (c) To request that Germany report to the 67th meeting of the Executive Committee on progress on adjusting its business plan to ensure that the total value of its activities was within the range of Germany's bilateral allocations for the 2012-2014 triennium.

(Decision 66/6)

(ii) UNDP

40. The representative of UNDP introduced document UNEP/OzL.Pro/ExCom/66/9 and noted that UNDP welcomed changes that would streamline reporting requirements and thus ease the reporting burden on implementing agencies, thereby helping to free time needed for the implementation of HPMPs.

41. The Executive Committee decided:

- (a) To take note of the 2012-2014 business plan of UNDP, as contained in document UNEP/OzL.Pro/ExCom/66/9; and
- (b) To approve the performance indicators for UNDP set out in Annex IV to the present report, while setting the targets of 18.9 ODP tonnes from ODS phase-out for individual projects and 41 for project completion.

(Decision 66/7)

(iii) UNEP

42. The representative of UNEP introduced document UNEP/OzL.Pro/ExCom/66/10, and drew attention to the proposed country-specific Compliance Assistance Programme (CAP) services planned for 2012, the logical framework analyses for the different regional networks and the projects planned for the period 2012 to 2014. In response to questions from the floor, the representative of UNEP explained that the joint workshop for ozone officers and civil aviation officials would be funded through UNEP's CAP and that the cooperation with Japan in the Climate Offset Mechanism was not a "costed" activity under the business plan.

43. Responding to other questions, the representative of the Secretariat said that the “Guide for sustainable refrigerated facilities and systems” was considered as required for compliance because it had been requested by the Executive Committee, and explained that additional funding had not been requested for some other activities as they had already been approved as part of the CAP.

44. The Executive Committee decided:

- (a) To take note of the 2012-2014 business plan of UNEP, as contained in document UNEP/OzL.Pro/ExCom/66/10; and
- (b) To approve the performance indicators for UNEP set out in Annex V to the present report, while setting the following targets: 26 for the number of annual tranches of multi-year agreements (MYAs) approved, 79 for the number of individual projects approved, 0 ODP tonne for the ODS phased out from individual projects, 41 for project completion, and 5 for milestone activities completed for MYAs.

(Decision 66/8)

(iv) UNIDO

45. The representative of UNIDO introduced document UNEP/OzL.Pro/ExCom/66/11 and requested that the Executive Committee allow MB projects for quarantine and pre-shipment (QPS) uses to be added to its business plan as such consumption could reduce global MB consumption by 20 to 35 per cent according to the Methyl Bromide Technical Options Committee. He also indicated that the estimated climate co-benefits achieved through the HCFC phase-out activities in UNIDO’s business plan were estimated at 17 million CO₂ equivalent tonnes per year for the 2012-2014 period. He also drew attention to the HCFC projects in the solvent sector for Mexico, which had been included in the business plan in light of decision 64/45(e).

46. The representative of the Secretariat explained that the wording of the decision was simply standard language and that as yet no requests for proposals for funding beyond stage I had been received. There was no intervention on the request to add MB bromide activities for QPS uses to UNIDO’s business plan.

47. The Executive Committee decided:

- (a) To take note of the 2012-2014 business plan of UNIDO, as contained in document UNEP/OzL.Pro/ExCom/66/11; and
- (b) To approve the performance indicators for UNIDO set out in Annex VI to the present report, while setting a target of 10 for the number of individual projects approved.

(Decision 66/9)

(v) World Bank

48. The representative of the World Bank introduced document UNEP/OzL.Pro/ExCom/66/12. In response to questions, the representative of the World Bank explained that the climate indicators had not taken into account the co-production of HFC-23 or the diversion of HCFCs for feedstock applications in the costing of activities for the production sector.

49. The Executive Committee decided:

- (a) To take note of the 2012-2014 business plan of the World Bank, as contained in document UNEP/OzL.Pro/ExCom/66/12; and
- (b) To approve the performance indicators for the World Bank set out in Annex VII to the present report, while setting the following targets: 5 for the number of annual tranches of multi-year agreements (MYAs) approved, 4 for the number of individual projects approved, 8.5 ODP tonnes for the ODS phased out from individual projects, 6 for project completion and 2 for milestone activities completed for MYAs.

(Decision 66/10)

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION

(a) Monitoring and evaluation

- (i) Compilation of comments and responses received on the desk study on the evaluation of multi-year agreement projects (decision 65/7)**

50. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/66/13 which contained a compilation of the comments, observations and responses received by the Secretariat on the desk study on the evaluation of MYA projects (UNEP/OzL.Pro/ExCom/65/9) that had been considered by the Executive Committee at its 65th meeting. She said that a corrigendum to the desk study could be prepared if the Executive Committee considered it necessary.

51. The representative of Belgium said that she had provided comments to the Secretariat too late to be included in document UNEP/OzL.Pro/ExCom/66/13 and asked that they be taken into account when the Senior Monitoring and Evaluation Officer prepared the final report.

52. The Senior Monitoring and Evaluation Officer explained that the final report would be issued once the field study undertaken during the second phase of the evaluation had been completed. It would include a synthesis of the results of the desk study and the field study, and would also take into account the comments, observations and responses contained in document UNEP/OzL.Pro/ExCom/66/13.

53. The Executive Committee decided:

- (a) To note the comments, observations and responses received on the desk study on the evaluation of multi-year agreement projects contained in document UNEP/OzL.Pro/ExCom/66/13; and
- (b) To request the Senior Monitoring and Evaluation Officer, when preparing the final report of the evaluation, also to take into consideration those comments and observations on the desk study that had been received by the Secretariat by the 66th meeting of the Executive Committee.

(Decision 66/11)

(ii) Terms of reference for the evaluation of multi-year agreement projects (second phase)

54. The Senior Monitoring and Evaluation Officer introduced documents UNEP/OzL.Pro/ExCom/66/14 and Corr.1.

55. Members thanked the Senior Monitoring and Evaluation Officer for her work but raised a number of concerns. They noted that the terms of reference were different from those dealt with by the Executive Committee in the past. They therefore requested the inclusion of more information on the planning of the evaluation, the related schedule, criteria for selecting the consultant, and costs.

56. Members were also concerned that the evaluation had been linked too closely to HPMPs and in that sense a number of outcomes had already been anticipated. They felt that the evaluation should deal with all kinds of MYA projects in their own right; only once lessons learned had been ascertained should their applicability to implementation of HPMPs be considered. One member considered that the terms of reference should contain a template for all the countries to be covered by the field study for the evaluation of the MYA, addressing the elements for the evaluation of the MYA of that particular country.

57. One member emphasized that, in 2000, the then Senior Monitoring and Evaluation Officer had highlighted that Brazil, despite having a CFC baseline for compliance of 10,521 ODP tonnes, had adopted a starting point for aggregate reductions of 9,276 ODP tonnes. Soon after that, Brazil passed legislation that ensured that its phase-out commitments would be kept. In 2007, a fact-finding mission, headed by the then Senior Monitoring and Evaluation Officer, had visited Brazil and had obtained clarification from the Brazilian authorities on the same points that had become part of the terms of reference for the second phase. Brazil therefore understood that it would not be necessary to return to those points. Brazil was envisaging a strategy to curb HCFC consumption by limiting speculative growth through a normative instruction adopted to limit imports of HCFCs during the period 2009-2012. As a result, the HCFC baseline had decreased to a point below the previously estimated scenario.

58. The Senior Monitoring and Evaluation Officer thanked the Committee for the guidance received for improving the terms of reference. She stressed that, although the evaluation focused on the analysis of CFC MYAs, it had been deemed useful also to examine how the knowledge gained in implementing the MYAs could serve for the management of HCFC phase-out. She added that planning of field visits was related to approval of the terms of reference and that the budget for the evaluation had been approved as part of the annual work plan.

59. The Executive Committee decided:

- (a) To take note of the terms of reference for the evaluation of multi-year agreement (MYA) projects (second phase) presented in documents UNEP/OzL.Pro/ExCom/66/14 and Corr. 1; and
- (b) To request the Senior Monitoring and Evaluation Officer to revise the terms of reference for the evaluation of MYA projects (second phase), taking into account the comments made by the Executive Committee members on the above documents, for consideration by the Committee at a future meeting.

(Decision 66/12)

(iii) Desk study on the evaluation of methyl bromide projects

60. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/66/15, which examined the sustainability of alternatives adopted through

investment projects and the risk of returning to MB use in African countries. She outlined the factors requiring further study, such as the risks associated with the adoption of new alternative technologies and market forces, as well as the difficulty of sourcing supplies at the local level and the scarcity of appropriate maintenance services for certain technologies. The final phase of the evaluation would involve a field study in a sample of countries that would concentrate on larger consumers and on results obtained through investment projects.

61. Concerns were expressed about the proposal that a technical workshop be organized during the course of one of the suggested field visits. One member pointed out that the desk study report already contained useful information on factors to ensure the sustainability of MB phase-out, including a well-informed and active National Ozone Unit and good coordination between it, national experts and agricultural associations. It was suggested that the evaluation focus on future compliance and sustainability.

62. Following the discussion and noting the caveat that the final phase of the study should not exceed the bounds of an evaluation, the Executive Committee decided to take note of the information provided in document UNEP/OzL.Pro/ExCom/66/15, including the proposed evaluation issues and approach for the final phase of the evaluation of methyl bromide projects.

(Decision 66/13)

(b) Annual tranche submission delays

63. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/16, indicating that seven of the 17 annual tranches in MYAs due for submission to the 66th meeting had not been submitted. All seven of the non submitted tranches were second tranches of HPMPs.

64. The Executive Committee decided to note:

- (a) The information on annual tranche submission delays under multi-year agreements (MYAs) submitted to the Secretariat by Germany, UNDP, UNEP and UNIDO, as contained in document UNEP/OzL.Pro/ExCom/66/16; and
- (b) That ten of the 17 annual tranches of MYAs due for submission had been submitted on time to the 66th meeting.

(Decision 66/14)

(c) Report on implementation of approved projects with specific reporting requirements

65. The Executive Committee had before it documents UNEP/OzL.Pro/ExCom/66/17 and Add.1. The representative of the Secretariat informed the Committee that, since the document had been issued, the Ozone Secretariat had confirmed that Côte d'Ivoire's data reported under Article 7 of the Montreal Protocol for the years 2007 and 2008 had been revised.

66. In response to a request for clarification regarding the preparation of a technical standard for preventing CFC venting as part of the National Phase-out Plan (NPP) for Brazil, the representative of UNDP, as implementing agency, explained that, even though Brazilian law prohibited the venting of CFCs, some sectors still had high leakage rates that the Government was trying to address in partnership with standards organizations and the private sector.

67. With regard to the NPP report for the Philippines, its annual work plan for 2012-2013, and the Secretariat's proposal that the remaining balance of US \$1.4 million be used for activities that would facilitate the phase-out of HCFCs within the context of the country's HPMP, in line with the decision

taken by the Executive Committee (decision 60/11), one member requested clarification on how that accounting would be done. It was also noted that the Philippines had not yet submitted its HPMP. The Secretariat offered to provide further information on a bilateral basis.

68. In relation to CTC phase-out in India, it was deemed important to monitor the use of CTC in the production of vinyl chloride monomer (VCM) after 31 December 2012 as decision XXIII/7 of the Twenty-third Meeting of the Parties stated that CTC could be considered as feedstock only until that date. If CTC were used as feedstock subsequently, India would be in non-compliance, which would be a matter for the Meeting of the Parties.

69. With regard to the institutional strengthening progress report for the Democratic People's Republic of Korea, a number of members applauded the work done to improve transparency and suggested that, as a next step, UNEP should provide additional information to increase transparency even further, consult with other implementing agencies that might have suggestions, and resubmit the report.

70. On the topic of the reports on resource mobilization for climate co-benefits, several members expressed disappointment with the lack of progress in implementation. Members asked that more substantial and detailed information be provided to the Executive Committee at its 67th or 68th meeting, emphasizing that clear feedback was required to show that projects were really mitigating climate impact, not simply transferring it.

71. One member suggested that UNIDO try to diversify its resource mobilization project to include air conditioning for it to be of more value to Article 5 countries, while another member said that the fishing and food production sectors remained important provided both stationary and mobile sources were considered. UNIDO informed members that the projects had been selected because of the economic impact of the sectors at the national and regional levels, and due to the technical and financial barriers to HCFC phase-out in the consumption sector.

72. One member requested the World Bank to provide clear feedback on the price collapse in the carbon market in its next report.

73. The Executive Committee decided:

National phase-out plans and terminal phase-out management plans

- (a) With regard to Brazil:
 - (i) To take note of the 2010 verification report and the 2011 tranche implementation report of the national phase-out plan (NPP) for Brazil;
 - (ii) To approve the tranche implementation plan for 2012;
 - (iii) To request UNDP to continue reporting progress on the implementation of the NPP for Brazil until its completion, while providing further such reports in a format and according to the schedule consistent with that in the relevant Agreement or with decision 66/16; and
 - (iv) To request the Government of Brazil and UNDP, on completion of the NPP, to submit a project completion report in accordance with the format agreed at the 65th meeting;

- (b) With regard to Burkina Faso:
 - (i) To take note of the report on the verification of the CFC consumption for Burkina Faso and the country's compliance with its phase-out obligations for CFC consumption; and
 - (ii) To further note with appreciation that Burkina Faso had reported zero consumption of CFCs under Article 7 of the Montreal Protocol since 2008;
- (c) With regard to Côte d'Ivoire:
 - (i) To take note of the report on the verification of CFC consumption in Côte d'Ivoire and the country's compliance with its phase-out obligations for CFC consumption under the terminal phase-out management plan (TPMP) for the period 2007 to 2008; and
 - (ii) To note that Côte d'Ivoire had reported zero consumption of CFCs under Article 7 of the Montreal Protocol for 2010;
- (d) With regard to Indonesia:
 - (i) To take note of the verification report on 2007-2008 ODS consumption in Indonesia;
 - (ii) To request UNDP, on behalf of the Government of Indonesia, to submit the verification reports on ODS consumption for 2009 and 2010 to the 68th meeting;
 - (iii) To request UNDP to report progress on the implementation of the NPP for Indonesia as follows:
 - a. For the years 2008 to 2011, to the 67th meeting, while providing the reports in a format consistent with decision 66/16;
 - b. For the years 2012 and future years on annual basis until completion of the NPP, while providing further such reports in a format and according to a schedule consistent with that in the relevant Agreement or with decision 66/16; and
 - (iv) To request the Government of Indonesia and UNDP, on completion of the NPP, to submit a project completion report in accordance with the format agreed at the 65th meeting;
- (e) With regard to Kyrgyzstan:
 - (i) To take note of the report on the 2010-2011 work programme associated with the third and final tranche of the TPMP for Kyrgyzstan;
 - (ii) To request UNEP to continue reporting progress on the implementation of the TPMP for Kyrgyzstan until its completion, while providing further such reports in a format and according to a schedule consistent with that in the relevant Agreement or with decision 66/16; and

- (iii) To request the Government of Kyrgyzstan and UNEP, on completion of the TPMP, to submit a project completion report in accordance with the format agreed at the 65th meeting;
- (f) With regard to the Philippines:
 - (i) To note:
 - a. The verification report of 2009 and 2010 CFC consumption in the Philippines and the country's compliance with its phase-out obligations for CFC consumption;
 - b. That the Philippines had reported zero consumption of CFCs under Article 7 of the Montreal Protocol for 2010;
 - (ii) To approve the annual implementation plan under the national CFC phase-out plan for April 2012 to April 2013, submitted by UNEP on behalf of the Government of the Philippines, and the activities contained therein, for the disbursement of no more than US \$471,630 for this period and to request UNEP to provide a report to the Executive Committee at the 70th meeting on progress made;
 - (iii) To request the Government of the Philippines, through UNEP, to submit a subsequent work plan to the 68th meeting of the Executive Committee, taking into account that the remaining balance of US \$1,407,221 should support activities that would facilitate the phase-out of HCFCs within the context of the country's HCFC phase-out management plan (HPMP), in line with decision 60/11;
 - (iv) To encourage the Government of the Philippines and the World Bank to submit the overarching HPMP for the Executive Committee's consideration no later than the 68th meeting; and
 - (v) To further encourage the Government of the Philippines and UNEP to utilize the remaining balance in sub-paragraph (iii) above to defray HPMP costs to the extent possible.
- (g) With regard to Sao Tome and Principe:
 - (i) To take note of the verification report on 2007-2009 CFC consumption in Sao Tome and Principe and the country's compliance with its phase-out obligations for CFC consumption; and
 - (ii) To further note that Sao Tome and Principe had reported zero consumption of CFCs under Article 7 of the Montreal Protocol for 2009 and 2010;
- (h) With regard to China:
 - (i) To approve the revised Appendix 5-A to the Agreement for the HCFC phase-out management plan (stage I) between the Government of China and the Executive Committee, submitted by UNDP, on behalf of the Government of China, as contained in Annex VIII to the present report;

Sector phase-out plans

- (i) With regard to China:
 - (i) To take note of the 2009/2010 progress report on the implementation of the solvent sector plan for ODS phase-out in China; and
 - (ii) To take note of the associated methyl chloroform verification reports for 2009 and 2010;
- (j) With regard to India:
 - (i) To take note of the report on implementation of the CTC phase-out plan for the consumption and production sectors for India in 2010, and the related verification provided;
 - (ii) To note that paragraph 8 of decision XXIII/7 of the Twenty-third Meeting of the Parties, which considered the use of carbon tetrachloride (CTC) for the production of vinyl chloride monomer (VCM) for the purpose of calculated levels of production and consumption, on an exceptional basis, to be a feedstock use until 31 December 2012, superseded sub-paragraphs (iii) and (iv) of Executive Committee decision 65/10(j);
 - (iii) To request the World Bank to provide, to the 70th meeting, a report on the status of the use of CTC for the production of VCM in India; and
 - (iv) To request the World Bank to provide to the 67th meeting a work plan covering the funds remaining in the CTC phase-out plan in India;

Institutional strengthening

- (k) With regard to Democratic People's Republic of Korea:
 - (i) To take note of the report submitted by UNEP on the implementation of Executive Committee decision 64/20 on the institutional strengthening project for the Democratic People's Republic of Korea; and
 - (ii) To request UNEP and other interested implementing agencies to further develop proposed alternative methods of disbursement, organizational structures and monitoring procedures, taking into account the experience of other agencies working on the ground in the country, for consideration by the Executive Committee at its 68th meeting;

Resource mobilization for climate co-benefits

- (l) To take note of the interim report on resource mobilization for climate co-benefits submitted by UNDP and to reiterate decision 63/20(a)(i) by which UNDP was requested to inform the Executive Committee on the four pilot demonstration projects in the refrigeration and air conditioning manufacturing sector no later than the 67th meeting, indicating that this report should provide more substantial information on the progress of activities;
- (m) To take note of the interim report submitted by UNEP on the project for resource mobilization to address climate co-benefits for HCFC phase-out in

low-volume-consuming countries with a servicing sector only, being implemented in cooperation with other agencies, and to request UNEP to submit a more substantial report to the Executive Committee at its 68th meeting;

- (n) To take note of the interim report on the project for resource mobilization for HCFC phase-out and climate co-benefits submitted by UNIDO and to reiterate decision 63/23(a)(i) by which UNIDO was requested to inform the Executive Committee of the two pilot conversions in the fishing and food processing sectors no later than the 67th meeting, indicating that this report should provide more substantial information on the progress of activities; and
- (o) To take note of the interim report submitted by the World Bank on the study on resource mobilization for HCFC phase-out co-benefits, and to request the World Bank to submit a more substantial report to the Executive Committee at its 68th meeting;

ODS destruction projects

- (p) With regard to Cuba:
 - (i) To take note of the status report on the pilot demonstration project on ODS waste management and disposal for Cuba submitted by UNDP; and
 - (ii) To request UNDP to submit a report to the 69th meeting of the Executive Committee on progress and experiences gained in the pilot demonstration project for Cuba in accordance with decisions 58/19(a)(iii) and 64/50;
- (q) With regard to Ghana:
 - (i) To take note of the status report on the pilot demonstration project on ODS waste management and disposal for Ghana submitted by UNDP; and
 - (ii) To request UNDP to submit a report to the 69th meeting of the Executive Committee on progress and experience gained in the pilot demonstration project for Ghana in accordance with decisions 58/19(a)(iii) and 64/50;

HCFC demonstration and investment projects

- (r) With regard to the assessment of methylal as blowing agent in the manufacture of polyurethane foam systems:
 - (i) To take note with appreciation of the report entitled “Methylal as blowing agent in the manufacture of polyurethane foam systems. An assessment for the application in MLF projects”, submitted by UNDP; and
 - (ii) To request bilateral and implementing agencies to share the UNDP assessment report on methylal, together with information on other alternatives, when assisting Article 5 countries in preparing projects for the phase-out of HCFC-141b in polyurethane foam applications;
- (s) With regard to the assessment of low cost options for the use of hydrocarbons in the manufacture of polyurethane foams:

- (i) To take note with appreciation of the report entitled “Low cost options for the use of hydrocarbons in the manufacture of polyurethane foams: An assessment for the application in MLF projects”, submitted by UNDP;
- (ii) To request UNDP:
 - a. To finalize the additional investigations on safety-related issues, densities and optimization of equipment;
 - b. To develop further a costing concept based on pre-blended hydrocarbon polyols;
 - c. To submit a supplementary report to the 67th meeting; and
- (iii) To request bilateral and implementing agencies to share the UNDP assessment report on low cost options for the use of hydrocarbons in the manufacture of polyurethane foams, together with information on other alternatives, when assisting Article 5 countries in preparing projects for the phase-out of HCFC-141b in polyurethane foam applications.

(Decision 66/15)

(d) Systematizing and streamlining reporting on progress to the Executive Committee across the spectrum of reports

74. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/18.

75. It was observed that, although MYAs had annual reporting requirements, many HPMPs only had reporting requirements every two or five years, although it would still be important to monitor the progress being made each year. It was also pointed out that, at the 64th meeting, there had been no agreement on whether the progress reports should provide the information most recently available at each meeting of the Executive Committee or only that required for each reporting period.

76. It was clarified that the new agenda item “Status reports and compliance” would replace both the agenda items on the “Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol” and the “Report on implementation of approved projects with specific reporting requirements”. It was suggested that the words “annual implementation plan” be replaced by the words “tranche implementation plan”, and that the Executive Committee review the effectiveness of the decision at its first meeting in 2015. The representative of the Secretariat agreed that the phrase “tranche implementation plan” (TIP) was preferable and explained that a TIP would also be required in those cases where there was a change to the targets in approved TIPs.

77. The Executive Committee decided:

- (a) To take note of the document “Systematizing and streamlining reporting on progress to the Executive Committee across the spectrum of reports”, as contained in document UNEP/OzL.Pro/ExCom/66/18;
- (b) To request:
 - (i) That, as of the 67th meeting of the Executive Committee, the information currently required for the agenda item “Report on implementation of approved projects with specific reporting requirements” be reported, together with

compliance issues, in an agenda item and document to be entitled “Status reports and compliance”, which would replace the document and agenda item currently entitled “Status of implementation of delayed projects and prospects of Article 5 countries in achieving compliance with the next control measures of the Montreal Protocol”;

- (ii) That the information on multi-year agreements (MYAs) in the remarks column of the Annual Progress and Financial Report (APF) should be included in the narrative of the tranche implementation plan (TIP), with any differences explained;
 - (iii) That TIP reports were not required in the absence of a funding tranche request, except in those cases where there was an issue on the application of the penalty clause or changes to targets in approved TIPs;
 - (iv) That agencies submit MYA project completion reports (PCRs) as noted at the 65th meeting in decision 65/6 and any available verification reports, together with the table entitled “Overall implementation plan and annual implementation report” (Table 8) of the approved MYA PCR format, in lieu of TIPs and TIP reports, for: refrigerant management plans, terminal phase-out management plans, national phase-out plans for CFC, CTC and methyl bromide and, in the event that a verification report was completed before a PCR, to submit the verification in the context of a status report or APF;
 - (v) UNEP to present its detailed annual progress report on Compliance Assistance Programme (CAP) activities to the third meeting of each year in the context of the annual CAP approval, and to identify any project implementation impediments for the CAP project in the APF;
- (c) To review the effectiveness of the present decision at its first meeting in 2015; and
 - (d) That one of the two remarks columns in the APF would be used to report the latest non-financial data available related to projects.

(Decision 66/16)

AGENDA ITEM 8: OPTIONS FOR AN ADMINISTRATIVE COST REGIME FOR THE 2012-2014 TRIENNIUM (DECISION 65/18)

78. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/19, following which it was agreed that a contact group would be formed to discuss the matter in more detail.

79. Following the report by the convenor of the contact group, the Executive Committee decided:

- (a) To take note of the information on the assessment of options for an administrative cost regime for the 2012-2014 triennium, as contained in document UNEP/OzL.Pro/ExCom/66/19;
- (b) To reconsider administrative costs at its 67th meeting, including the options in document UNEP/OzL.Pro/ExCom/66/19 and options discussed by the contact group at the 66th meeting;

- (c) To apply the existing administrative cost regime to the first tranche of agreements approved at the 66th meeting and to reconsider the agency fee for subsequent tranches at the 67th meeting;
- (d) To maintain the existing administrative cost regime for UNEP; and
- (e) To continue discussion at the 68th meeting on the possible need for terms of reference for the assessment of the administrative cost regime for the 2015-2017 triennium and how to modify the terms of reference in the light of the previous terms of reference.

(Decision 66/17)

AGENDA ITEM 9: PROJECT PROPOSALS

(a) Overview of issues identified during project review

80. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/20.

ODS disposal demonstration projects not submitted to the 66th meeting

81. The Executive Committee decided:

- (a) That ODS disposal demonstration projects for low-volume-consuming (LVC) countries for which project preparation funding had already been approved at previous meetings could be submitted; and
- (b) Not to approve the resubmission of the project preparation requests for pilot ODS disposal projects for LVC countries in South America.

(Decision 66/18)

Submission of tranches for stage I of HPMPs for blanket approval

82. Following a discussion of the need to set a limit on the funding level of the tranches for stage I HPMPs that could be considered for blanket approval, the Executive Committee decided to request the Secretariat to submit for blanket approval all future tranches for stage I HCFC phase-out management plans provided that:

- (a) They were in accordance with relevant policies and decisions of the Multilateral Fund;
- (b) They contained no policy issues;
- (c) All technical and cost issues had been agreed between the Secretariat and relevant bilateral and/or implementing agencies; and
- (d) That the total requested funding for the tranche was less than US \$1 million.

(Decision 66/19)

Maximizing the climate benefits from the phase-out of HCFCs in the refrigeration servicing sector

83. One member raised the issue of the climate impact of HCFC phase-out in the refrigeration servicing sector. Some activities such as training of technicians could lead to beneficial climate impact, however, the climate benefit of retrofitting refrigeration equipment would depend on the global-warming

potential (GWP) of the alternatives used. While the issue of climate impact in the sector had been addressed in a number of individual HPMPs, he proposed a more comprehensive approach. On that basis, he introduced a draft recommendation for the consideration of the Executive Committee.

84. Several members supported the draft recommendation and suggested that reference be made to energy efficient alternatives to HCFCs, and that incentive programmes should not be limited to end-user conversion. In response to a question on why the proposal did not include the manufacturing sector, a member explained that an HPMP proposal contained information on the alternative technology being selected for that sector and its climate impact, based on the Multilateral Fund Climate Impact Indicator (MCII). He explained that the aim of the recommendation proposed was to address the gap in the refrigeration servicing sector where no specific technology had been selected.

85. Other members said that while they welcomed the proposal they would need more time to consider the implications for HPMPs that had already been approved, ODS policies and regulations and the financial implications and to consult with the stakeholders and ministries involved. It was also pointed out that, for economic and technical reasons, some countries might be limited in their ability to use low GWP alternatives for HCFCs even when commercially available.

86. It was also queried whether Article 5 countries with an approved HPMP should utilize the funding not previously allocated for monitoring HFCs and other non-HCFC alternatives, and what impact reporting on the issue would have on bilateral and implementing agencies. The Chair said that, as there was no consensus on the draft recommendation, interested members could meet to discuss it informally.

87. The Executive Committee decided to defer further consideration of maximizing the climate benefits from the phase-out of HCFCs in the refrigeration servicing sector until its 67th meeting.

(Decision 66/20)

Projects and activities submitted for blanket approval

88. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex IX to the present report, together with the conditions or provisions included in the corresponding project evaluation documents and the conditions attached to the projects by the Executive Committee, noting the change of the implementing agency for the extension of the institutional strengthening project (phase VII) for Tunisia from the World Bank to UNIDO, as requested by the Government of Tunisia; and
- (b) To decide that, for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments contained in Annex X to the present report.

(Decision 66/21)

(b) Bilateral cooperation

89. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/66/21, and Add.1, and said that a total of four projects for bilateral cooperation had been received: one from the Government of France, two from the Government of Germany and one from the Government of Spain. As indicated in document UNEP/OzL.Pro/ExCom/66/21/Add.1, however, the Government of Germany had already exceeded its allocation for bilateral cooperation by US \$2.3 million and the approval of any

additional funds for new activities would result in Germany further exceeding its 20 per cent allocation for the 2012-2014 triennium. The Chief Officer explained that the amount of US \$2.3 million did not include those projects submitted by Germany for approval at the present meeting.

90. Considering that Germany had, by decision 66/6(b), agreed to revise the forward commitments under its business plan and, on that basis, to adjust the bilateral activities in its business plan submitted to the 66th meeting so that they were within the range of Germany's 20 per cent bilateral contribution for the 2012-2014 triennium, the Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved at the 66th meeting as follows:

- (a) US \$288,686 (including agency fees) against the balance of the France's bilateral contribution for 2012;
- (b) US \$1,501,405 (including agency fees) against the balance of Germany's bilateral contribution for 2012; and
- (c) US \$893,000 (including agency fees) against the balance of Spain's bilateral contribution for 2012.

(Decision 66/22)

(c) Work programmes

(i) 2012 work programme of UNDP

91. The Chair reminded the meeting that the only funding requests in UNDP's work programme, namely, the institutional strengthening projects for Brazil and India described in document UNEP/OzL.Pro/ExCom/66/22, had already been approved under agenda item 9(a) (see paragraph 88).

(ii) 2012 work programme of UNEP

92. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/23, indicating that the projects contained in UNEP's work programme had been approved under agenda item 9(a) (see paragraph 88). Two projects remained for individual consideration as described below.

Democratic People's Republic of Korea: Renewal of institutional strengthening project (Phases VI and VII)

93. The Chair reminded the meeting that the institutional strengthening project for the Democratic People's Republic of Korea had already been addressed under agenda item 7(c) (see paragraph 73(k)).

94. The Executive Committee decided to defer the renewal of the institutional strengthening project for the Democratic People's Republic of Korea until it has considered the proposed alternative methods of disbursement, organizational structures and monitoring procedures as per decision 66/15(k)(ii).

(Decision 66/23)

Global : Development of a "Guide for Sustainable Refrigerated Facilities and Systems", in cooperation with the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE)

95. Members commented that many of ASHRAE's projects were suited to developed countries and large developing countries, and UNEP was asked how it planned to ensure that the document being prepared would be suitable for use in small enterprises and in low-volume-consuming countries (LVCs).

It was also pointed out that it was essential that the document be translated into all the official languages of the United Nations, and UNEP was asked whether sufficient funds had been allocated for that purpose.

96. The representative of UNEP said that the document would be structured so that it could be used by people with different levels of expertise. It was also expected that the material included in the document would be peer-reviewed to ensure its suitability for use in LVCs. He also indicated that the document could be translated into the official United Nations languages.

97. Following the discussions the Executive Committee decided:

- (a) To approve US \$200,000, plus agency support costs of US \$26,000 for UNEP, as the Multilateral Fund's share in the development of a "Guide for Sustainable Refrigerated Facilities and Systems", in collaboration with the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE);
- (b) To note that the amount of funding approved, together with the co-funding to be provided by ASHRAE and others, would cover translation of the Guide into the other official languages of the United Nations; and
- (c) To urge UNEP and ASHRAE to complete the Guide by the 71st meeting of the Executive Committee.

(Decision 66/24)

(iii) 2012 work programme of UNIDO

98. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/24. She drew members' attention to the fact that the institutional strengthening project for Tunisia, already approved under agenda item 9(a) (see paragraph 88), was also part of UNIDO's work programme, as it had been transferred from the World Bank to UNIDO.

African region: Project preparation for a strategy for disposal and destruction of ODS for six low-volume-consuming countries

99. During the discussion on the ODS destruction project for the African region, it was pointed out that, while the deadline for submitting such a project, as established in decision 64/17, had been met the project did not meet the criteria set out in the guidelines for the preparation of ODS destruction projects adopted in decision 58/19. One member stated that an analogous proposal for four South American countries had been withdrawn for similar reasons. Other problems included the seeming lack of an ODS collection system in the countries involved in the project, and the fact that exports had not been considered among the options for ODS destruction. One member stated that it was also difficult to gather data for ODS destruction project preparation in LVC countries as market conditions were constantly changing. It was therefore suggested that it might be possible to allow UNIDO to submit the project to the 67th meeting, on the condition that it met all of the criteria in the ODS destruction guidelines, failing which the Secretariat should not forward the project proposal to the Executive Committee.

100. Following the discussion, the Executive Committee decided:

- (a) To allow UNIDO to resubmit the request for project preparation for the development of a strategy for disposal and destruction of ODS for six low-volume-consuming (LVC) countries in the African region to the 67th meeting of the Executive Committee, on the following conditions:

- (i) That the proposal met all of the criteria in the ODS destruction guidelines as established in decision 58/19 to the fullest extent; and
 - (ii) That exporting ODS for destruction be included by UNIDO as an option within the proposal;
- (b) To request the Secretariat to refrain from forwarding UNIDO's request for project preparation for the development of a strategy for disposal and destruction of ODS for six LVC countries in the African region to the Executive Committee at its 67th meeting, if it failed to meet all the criteria contained in the ODS destruction guidelines and did not provide the information or components necessary for it to be considered for approval (decision 50/14).

(Decision 66/25)

(d) Investment projects

CFC production

India: Accelerated CFC production phase-out (second tranche) (World Bank)

101. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/38.

102. Members raised questions regarding a number of issues primarily concerning documentation on CFC destruction, as called for in decision 60/47, and on production closure and dismantling, as called for in decision 54/37(d). Consultations were held among the interested parties, during which a path forward was defined with regard to the actions that needed to be taken in order to release the last tranche at the 67th meeting of the Executive Committee or later in 2012. The United States delegation offered to cooperate with the Government of India and relevant enterprises to facilitate the process in the intervening time.

103. The Executive Committee decided to defer consideration of the funding request of the accelerated CFC production phase-out (second tranche) until its 67th meeting.

(Decision 66/26)

ODS disposal

Colombia: Pilot demonstration project on ODS waste management and disposal (UNDP)

104. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/33.

105. Some members expressed their appreciation for a well-prepared and comprehensive ODS disposal project. One member asked why there was a need to verify three separate facilities, and pointed out that the guidelines for pilot ODS disposal projects required that they address only quantities of ODS already collected, which was not the case for Colombia as it also addressed ODS waste to be collected in future. It was clarified that the approach would address the three different materials proposed for destruction and avoid creating a monopoly in the country.

106. The representative of the Secretariat reported on the outcome of consultations among interested parties, namely, that the Secretariat's recommendation should be approved unchanged. One member emphasized that the project would also generate a report describing not only activities funded by the Multilateral Fund but the whole structure for ODS destruction in Colombia, including such aspects as policy, legislation, economics and incentive schemes.

107. The Executive Committee decided:

- (a) To note with appreciation the submission by the Government of Colombia for a pilot ODS waste management and disposal project to destroy a total of 114 metric tonnes of ODS waste; and
- (b) To approve the implementation of a pilot project for ODS waste management and destruction in Colombia at the amount of US \$1,195,000, plus agency support costs of US \$89,625 for UNDP, on the understanding that no further funds would be available for Colombia for any ODS disposal projects in future.

(Decision 66/27)

Turkey: Pilot demonstration project on ODS waste management and disposal (UNIDO)

108. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/48. One member expressed some concerns about the project on the same lines as had been articulated for a previously approved project in Mexico and wished to see similar conditions included for this project before approval could be given.

109. Following a discussion among the interested parties, the Executive Committee decided:

- (a) To note with appreciation the submission by the Government of Turkey of a pilot ODS waste management and disposal project to destroy a total of 103.72 metric tonnes of ODS waste;
- (b) To approve the implementation of a pilot project for ODS waste management and destruction in Turkey at the amount of US \$1,076,250, plus agency support costs of US \$80,719 for UNIDO, noting that approval was on the understanding that:
 - (i) No further funds would be available for Turkey for any ODS disposal projects in future;
 - (ii) Any marketing of greenhouse gas (GHG) emission reductions generated by or associated with the project would be subject to a decision by the Executive Committee; and
- (c) To request the Government of Turkey, through UNIDO, to establish a monitoring system for the operation and the activities associated with the ODS disposal demonstration project and to report thereon to the Executive Committee at the completion of the project in 2014, ensuring that no marketing of GHG emission reductions had taken place.

(Decision 66/28)

Second tranches of HPMPs

Armenia: HCFC phase-out management plan (stage I, second tranche) (UNDP/UNEP)

110. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/29.

111. The Executive Committee decided:

- (a) To take note of the progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan (HPMP) in Armenia;

- (b) To note that the Fund Secretariat had updated paragraph 1 of the Agreement between the Government of Armenia and the Executive Committee, as well as Appendix 2-A: “The targets, and funding”, based on the established HCFC baseline for compliance, and a new paragraph 16 had been added to indicate that the updated Agreement superseded the Agreement reached at the 62nd meeting. The revised Agreement is attached as Annex XI to the present report; and
- (c) To approve the second tranche of stage I of the HPMP for Armenia, and the corresponding implementation plan, at the amount of US \$297,177, plus agency support costs of US \$22,288 for UNDP.

(Decision 66/29)

Colombia: HCFC phase-out management plan (stage I, second tranche) (UNDP/UNEP)

112. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/33.
113. The Executive Committee decided:
- (a) To take note of the progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan of (HPMP) in Colombia;
 - (b) To note that the Fund Secretariat had updated paragraph 1 of the Agreement between the Government of Colombia and the Executive Committee, as well as Appendix 1-A “The substances” and Appendix 2-A: “The targets, and funding”, based on the established HCFC baseline for compliance, and a new paragraph 16 had been added to indicate that the updated Agreement superseded the Agreement reached at the 62nd meeting. The revised Agreement is attached as Annex XII to the present report;
 - (c) To note that the revised starting point for sustained aggregate reduction in HCFC consumption was 225.6 ODP tonnes, calculated using actual consumption of 209.7 ODP tonnes and 241.5 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; and
 - (d) To approve the second tranche of stage I of the HPMP for Colombia, and the corresponding implementation plan, at the amount of US \$647,750, consisting of US \$550,000, plus agency support costs of US \$41,250 for UNDP, and US \$50,000, plus agency support costs of US \$6,500 for UNEP.

(Decision 66/30)

Croatia: HCFC phase-out management plan (stage I, second, third and fourth tranches) (UNIDO/Italy)

114. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/35. He highlighted the fact that the date of Croatia’s accession to the European Union had changed from 2016 to 2013, which had implications for the timing of the three remaining tranches of its HPMP.

115. Members were sympathetic to the need to accelerate funding, but could see no particular reason to approve the fourth and final tranche at this time, as such funding was usually requested in the last year of the HPMP. Additional concerns were raised regarding the proposed reallocation of funds from a cancelled project for the phase-out of HCFC-141b from the manufacturing of polyurethane foam at Pavusin, as that would specifically contravene decision 29/8.

116. The Executive Committee decided:

- (a) To take note of the progress report on the implementation of the first tranche of the HCFC phase-out management plan (HPMP) in Croatia;
- (b) To note that the Fund Secretariat had updated paragraph 1 of the Agreement between the Government of Croatia and the Executive Committee, as well as Appendix 2-A: “The targets, and funding”, based on the established HCFC baseline for compliance, and a new paragraph 16 had been added to indicate that the updated Agreement superseded the Agreement reached at the 61st meeting. The revised Agreement is attached as Annex XIII to the present report;
- (c) To approve funding of US \$360,000, plus agency support costs of US \$27,000 for UNIDO, associated with the second and third tranches of the HPMP and the corresponding implementation plan; and
- (d) Not to approve the reallocation of US \$200,000 for HCFC phase-out activities in the HPMP from the project for the phase-out of HCFC-141b from the manufacturing of polyurethane foam at Pavusin, which had been cancelled by mutual agreement between the Government of Croatia and UNIDO at the 66th meeting, and that the remaining balance from the project cancelled be returned to the Fund by the 67th meeting.

(Decision 66/31)

Nigeria: HCFC phase-out management plan (stage I, second tranche) (UNDP/UNIDO)

117. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/45.

118. The Executive Committee decided:

- (a) To take note of the progress report on the implementation of the first tranche of stage I of the HCFC phase-out management plan (HPMP) for Nigeria;
- (b) To note that the Fund Secretariat had updated paragraph 1 of the Agreement between the Government of Nigeria and the Executive Committee, as well as Appendix 1-A “The substances” and Appendix 2-A: “The targets, and funding”, based on the established HCFC baseline for compliance, and a new paragraph 16 had been added to indicate that the updated Agreement superseded the Agreement reached at the 62nd meeting. The revised Agreement is attached as Annex XIV to the present report;
- (c) To note that the revised starting point for sustained aggregate reduction in HCFC consumption was 398.2 ODP tonnes, calculated using actual consumption of 370.0 ODP tonnes and 426.4 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; and
- (d) To approve the second tranche of stage I of the HPMP for Nigeria, and the corresponding implementation plan, at the amount of US \$1,490,504, consisting of US \$836,515, plus agency support costs of US \$62,739 for UNDP, and US \$550,000, plus agency support costs of US \$41,250 for UNIDO.

(Decision 66/32)

HPMPs for LVC countries

Antigua and Barbuda: HCFC phase-out management plan (stage I, first tranche) UNEP

119. The Chair introduced documents UNEP/OzL.Pro/ExCom/66/27 and Corr. 1.

120. One member noted that the draft Agreement contained a clause stating that, in cases where HFC technologies had been chosen as alternatives to HCFC, there would be a need to monitor the availability of alternatives that further minimized the impacts on the climate. It was pointed out that, given the policy discussion on ways to maximize the climate benefits from the phase-out of HCFCs in the refrigeration servicing sector, that had taken place under agenda item 9(a), it was no longer necessary to include such a clause in the Agreement.

121. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Antigua and Barbuda for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline, at the amount of US \$51,700, plus agency support costs of US \$6,721 for UNEP;
- (b) To note that the Government of Antigua and Barbuda had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 0.3 ODP tonnes, calculated using actual consumption of 0.5 ODP tonnes and 0.1 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;
- (c) To deduct 0.03 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of Antigua and Barbuda and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XV to the present report; and
- (e) To approve the first tranche of stage I of the HPMP for Antigua and Barbuda, and the corresponding implementation plan, at the amount of US \$45,850, plus agency support costs of US \$5,961 for UNEP.

(Decision 66/33)

Bosnia and Herzegovina: HCFC phase-out management plan (stage I, first tranche) (UNIDO)

122. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/30.

123. Members raised a number of issues, including the application of decision 60/44(b) on second-stage conversions.

124. Following consultations in an informal contact group, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Bosnia and Herzegovina for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$953,284, plus agency support costs of US \$71,496 for UNIDO, on the understanding that:

- (i) US \$280,000 were provided to address HCFC consumption in the refrigeration servicing sector to reach up to and include the 35 per cent reduction in 2020 in line with decision 60/44; and
 - (ii) US \$673,284 were provided for the investment component and the associated technical assistance component for the phase-out of 5.76 ODP tonnes of HCFCs used in the polyurethane foam and commercial refrigeration manufacturing sectors;
- (b) To note that the Government of Bosnia and Herzegovina had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 4.7 ODP tonnes, calculated using actual consumption of 5.7 ODP tonnes and 3.5 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus 3.47 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 8.17 ODP tonnes;
 - (c) To note the commitment of the Government of Bosnia and Herzegovina to ban imports of HCFC-141b, both pure and contained in pre-blended polyols, no later than 1 January 2016;
 - (d) To deduct 6.58 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
 - (e) To approve the draft Agreement between the Government of Bosnia and Herzegovina and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XVI to the present report; and
 - (f) To approve the first tranche of stage I of the HPMP for Bosnia and Herzegovina, and the corresponding implementation plan, at the amount of US \$631,282, plus agency support costs of US \$47,346 for UNIDO.

(Decision 66/34)**Brunei Darussalam: HCFC phase-out management plan (stage I, first tranche)** (UNEP/UNDP)

125. The Chair introduced document UNEP/OzL.Pro/ExCom/66/31.
126. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Brunei Darussalam for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$350,670, consisting of US \$183,000, plus agency support costs of US \$23,790 for UNEP, and US \$132,000, plus agency support costs of US \$11,880 for UNDP;
 - (b) To note that the Government of Brunei Darussalam had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.1 ODP tonnes, calculated using actual consumption of 5.3 ODP tonnes and 6.9 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;
 - (c) To deduct 2.14 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;

- (d) To approve the draft Agreement between the Government of Brunei Darussalam and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XVII to the present report;
- (e) To approve the first tranche of stage I of the HPMP for Brunei Darussalam, and the corresponding implementation plan, at the amount of US \$196,542, consisting of US \$123,000 plus agency support costs of US \$15,990 for UNEP, and US \$52,800, plus agency support costs of US \$4,752 for UNDP.

(Decision 66/35)

Djibouti: HCFC phase-out management plan (stage I, first tranche) (UNEP)

127. The Chair introduced document UNEP/OzL.Pro/ExCom/66/36.

128. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Djibouti for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$164,500, plus agency support costs of US \$21,385 for UNEP;
- (b) To note that the Government of Djibouti had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 0.7 ODP tonnes, calculated using actual consumption of 0.6 ODP tonnes and 0.7 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;
- (c) To deduct 0.24 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of Djibouti and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XVIII to the present report;
- (e) To approve the first tranche of stage I of the HPMP for Djibouti, and the corresponding implementation plan, at the amount of US \$81,000, plus agency support costs of US \$10,530 for UNEP; and
- (f) To urge the Government of Djibouti to ratify the Beijing Amendment as soon as possible.

(Decision 66/36)

Mozambique: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

129. The Chair introduced document UNEP/OzL.Pro/ExCom/66/42.

130. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Mozambique for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$349,950, consisting of US \$165,000, plus agency support costs of US \$21,450 for UNEP, and US \$150,000, plus agency support costs of US \$13,500 for UNIDO;

- (b) To note that the Government of Mozambique had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.5 ODP tonnes, calculated using the consumption of 4.3 ODP tonnes and 8.7 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;
- (c) To deduct 2.27 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of Mozambique and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XIX to the present report;
- (e) To request the Fund Secretariat, in the event that the baseline consumption for compliance for Mozambique was amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche was submitted; and
- (f) To approve the first tranche of stage I of the HPMP for Mozambique, and the corresponding implementation plan, at the amount of US \$126,950, consisting of US \$40,000, plus agency support costs of US \$5,200 for UNEP, and US \$75,000, plus agency support costs of US \$6,750 for UNIDO.

(Decision 66/37)

Nepal: HCFC phase-out management plan (stage I, first tranche)

131. As a result of the discussion on UNEP's report on progress by Nepal in ratifying the Copenhagen Amendment, the Executive Committee considered the first tranche of the HPMP for Nepal which had been approved in principle at the 62nd meeting and where its official ratification of the Copenhagen Amendment was a condition for the release of its first tranche (see paragraphs 181-184).

132. The Executive Committee decided:

- (a) To note that stage I of the HCFC phase-out management plan (HPMP) for Nepal had been approved in principle at the 62nd meeting of the Executive Committee for the period 2010-2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$233,940, comprising US \$126,000, plus agency support costs of US \$16,380 for UNEP, and US \$84,000, plus agency support costs of US \$7,560 for UNDP;
- (b) To reiterate that the Government of Nepal had agreed at the 62nd meeting to establish as its starting point for sustained aggregate reduction in HCFC consumption the official consumption ceiling set by the country of 1.27 ODP tonnes, and not based on 2009 or 2010 estimated consumption;
- (c) To deduct 0.64 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of Nepal and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XX to the present report; and

- (e) To approve the first tranche of stage I of the HPMP for Nepal, and the corresponding implementation plan, at the amount of US \$116,970, consisting of US \$63,000, plus agency support costs of US \$8,190 for UNEP, and US \$42,000, plus agency support costs of US \$3,780 for UNDP, on the condition that disbursements would only be made after official confirmation that the country had submitted its instrument of ratification of the Copenhagen Amendment to the United Nations Treaty Depository Office in New York had been received by the Multilateral Fund Secretariat.

(Decision 66/38)

Nicaragua: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

133. The Chair introduced document UNEP/OzL.Pro/ExCom/66/43.

134. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Nicaragua for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$364,020, consisting of US \$108,000, plus agency support costs of US \$14,040 for UNEP, and US \$222,000, plus agency support costs of US \$19,980 for UNIDO, on the understanding that:
 - (i) US \$315,000 were provided to address HCFC consumption in the refrigeration servicing sector to reduce up to and include the 35 per cent reduction in 2020 in line with decision 60/44; and
 - (ii) US \$15,000 were provided for the technical assistance component for the phase-out of 0.31 ODP tonnes of HCFCs used in the foam manufacturing sector;
- (b) To note that the Government of Nicaragua had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.8 ODP tonnes, calculated using actual consumption of 6.0 ODP tonnes and 7.5 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus 0.31 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 7.11 ODP tonnes;
- (c) To note the commitment of the Government of Nicaragua to ban imports of HCFC-141b, both pure and contained in pre-blended polyols, no later than 1 January 2017;
- (d) To deduct 2.69 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (e) To approve the draft Agreement between the Government of Nicaragua and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXI to the present report;
- (f) To approve the first tranche of stage I of the HPMP for Nicaragua, and the corresponding implementation plan, at the amount of US \$148,125, consisting of US \$38,000, plus agency support costs of US \$4,940 for UNEP, and US \$96,500, plus agency support costs of US \$8,685 for UNIDO; and

- (g) To urge the Government of Nicaragua to ratify the Beijing Amendment to the Montreal Protocol as soon as possible.

(Decision 66/39)

Niger: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

135. The Chair introduced document UNEP/OzL.Pro/ExCom/66/44.

136. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Niger for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$617,125, consisting of US \$285,000, plus agency support costs of US \$21,375 for UNIDO, and US \$275,000, plus agency support costs of US \$35,750 for UNEP;
- (b) To note that the Government of Niger had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption an estimated baseline of 16.0 ODP tonnes, calculated using actual consumption of 16.0 ODP tonnes reported for 2009 under the HPMP and 16.0 ODP tonnes reported for 2010 under Article 7 of the Montreal Protocol;
- (c) To deduct 5.60 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of Niger and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXII to the present report;
- (e) To request the Fund Secretariat, in the event that the baseline consumption for Niger was amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the revised figures for the baseline once approved by the Parties to the Montreal Protocol; and
- (f) To approve the first tranche of stage I of the HPMP for Niger, and the corresponding implementation plan, at the amount of US \$301,125, consisting of US \$175,000, plus agency support costs of US \$13,125 for UNIDO, and US \$100,000, plus agency support costs of US \$13,000 for UNEP.

(Decision 66/40)

HPMPs/sector plan for non-LVC countries

Algeria: HCFC phase-out management plan (stage I, first tranche) (UNIDO)

137. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/26.

138. Issues were raised regarding the phase-out of HCFC-141b used as a solvent in flushing refrigeration circuits to be converted to HFC-based solvents, and the impact that Algeria's request for a change of baseline would have on the reduction of HCFC consumption beyond the 2015 reduction targets. Following an informal discussion among interested parties, the representative of the Secretariat was able to provide clarification on both issues. The phase-out of HCFC-141b as a solvent was proposed given its high emissivity rate, and the fact that the alternative technology proposed would be used in a

closed circuit lessened its climate impact. By phasing out this use, the Government committed to banning HCFC-141b by 1 January 2016. During implementation of the project, the agency will also assess other non-HFC based technologies. With regard to the baseline, it was pointed out that, in the event that the Parties to the Montreal Protocol did not agree to change the baseline for compliance, stage I of the HPMP would reduce HCFC consumption by 35 per cent of the baseline by 2020, rather than 20 per cent over the 2010 to 2017 period.

139. Following the discussion, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Algeria for the period 2010 to 2017 to reduce HCFC consumption by 20 per cent of the baseline, at the amount of US \$1,777,951, plus agency support costs of US \$133,347 for UNIDO and, noting that the project to phase out 2.40 ODP tonnes of HCFC-141b used in the manufacture of polyurethane rigid insulation foam for domestic refrigerators at Cristor, at the amount of US \$215,380, plus agency support costs of US \$19,384 for UNIDO, had already been approved at the 62nd meeting of the Executive Committee in 2010 and had subsequently been included in stage I of the HPMP;
- (b) To note:
 - (i) That with the amounts referred to in subparagraph (a) above, the total funding for stage I of the HPMP for Algeria amounted to US \$1,993,331, plus agency support costs of US \$152,731;
 - (ii) That the Government of Algeria had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 30.2 ODP tonnes, calculated using actual consumption of 30.2 ODP tonnes reported for both 2009 and 2010, under Article 7 of the Montreal Protocol, plus 5.36 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 35.56 ODP tonnes;
 - (iii) That, in the event that the Parties to the Montreal Protocol agreed to change the baseline for compliance as calculated in the HPMP, the starting point for aggregate reduction in HCFC consumption would be 67.46 ODP tonnes (i.e., 62.1 ODP tonnes as the revised baseline for compliance plus 5.36 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems);
 - (iv) That, in the event that the Parties to the Montreal Protocol did not agree to change the baseline for compliance as calculated in the HPMP, stage I of the HPMP would reduce HCFC consumption by 35 per cent of the baseline by 2020 and the Agreement between the Government of Algeria and the Executive Committee would be revised accordingly;
 - (v) The deduction of 2.40 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 62nd meeting, and the agreement to deduct a further 12.08 ODP tonnes of HCFCs for implementation of stage I of the HPMP;
 - (vi) That the Government of Algeria had committed to banning the import of HCFC-141b in bulk by 1 January 2016 once the conversion of the enterprise Cristor had been completed and an alternative process for cleaning refrigeration circuits had been implemented;

- (vii) That approval of stage I of the HPMP did not preclude Algeria from submitting, prior to 2015, a proposal to achieve a reduction in HCFCs beyond that addressed in stage I of the HPMP;
- (c) To approve the draft Agreement between the Government of Algeria and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXIII to the present report;
- (d) To request the Fund Secretariat, in the event that the baseline consumption for compliance for Algeria was amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption; and
- (e) To approve the first tranche of stage I of the HPMP for Algeria, and the corresponding implementation plan, at the amount of US \$1,593,860, plus agency support costs of US \$119,540 for UNIDO.

(Decision 66/41)Argentina: HCFC phase-out management plan (stage I, first tranche) (UNIDO/World Bank/Italy)

140. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/28, stating that the Government of Argentina was requesting that the established starting point, based on the HCFC consumption reported for 2008, be changed to the established 2009-2010 HCFC baseline. Argentina was also proposing to address more than 10 per cent of the baseline consumption in stage I and had agreed to reduce the request for funding by using US \$800,000 from the balance remaining from the CFC national phase-out plan, without discounting tonnage from the starting point for this specific amount.

141. Although the Executive Committee was sympathetic to Argentina because it had chosen to submit its first HCFC phase-out project early and had thus chosen a starting point before the baseline had been decided, some members were of the firm opinion that there was no provision for countries to amend their chosen starting point now that 2009 and 2010 data had shown a higher level of consumption. One member suggested that the combination of consumption phase-out in the refrigeration and air-conditioning sector and stringent policy on the replacement of equipment would be sufficient for Argentina to comply with its commitments over the long term.

142. With regard to the proposal to address more than 10 per cent of the baseline consumption in stage I, a higher level of commitment from the country was desirable.

143. Following informal discussion among interested members, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Argentina for the period 2010 to 2017 to reduce HCFC consumption by 17.5 per cent of the baseline, at the amount of US \$2,192,583, consisting of US \$1,125,000, plus agency support costs of US \$84,375 for UNIDO, and US \$914,612, plus agency support costs of US \$68,596 for the World Bank, noting that the project to phase out 53.46 ODP tonnes of HCFC-22 in the room and unitary air-conditioning equipment manufacturing sector at the amount of US \$8,435,542, plus agency support costs of US \$632,666 for UNIDO and US \$300,000, plus agency support costs of US \$39,000 for the Government of Italy, had already been approved at the 61st meeting of the Executive Committee in 2010 and had subsequently been included in stage I of the HPMP;

- (b) To note that, with the amounts referred to in subparagraph (a) above, the total funding for stage I of the HPMP for Argentina amounted to US \$10,775,154, plus agency support costs of US \$824,637;
- (c) To note that in agreement with the Executive Committee, the Government of Argentina had revised its starting point for sustained aggregate reduction in HCFC consumption from 356.9 ODP tonnes to 377.51 ODP tonnes;
- (d) To note the deduction of 53.46 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 61st meeting and the agreement to deduct a further 30.07 ODP tonnes of HCFCs for the implementation of stage I of the HPMP;
- (e) To note that approval of stage I of the HPMP did not preclude Argentina from submitting, prior to 2015, a proposal to achieve phase-out of HCFCs beyond that addressed in stage I of the HPMP;
- (f) To approve the Agreement between the Government of Argentina and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXIV to the present document;
- (g) To approve the first tranche of stage I of the HPMP for Argentina, and the corresponding implementation plan, at the amount of US \$1,720,000, consisting of US \$685,388 plus agency support costs of US \$51,404 for UNIDO, and US \$914,612 plus agency support costs of US \$68,596 for the World Bank; and
- (h) To approve the reallocation of funding remaining from the CFC national phase-out plan of US \$800,000, plus agency support costs for UNIDO, as agreed by the Government of Argentina in line with the implementation plan provided.

(Decision 66/42)

Côte d'Ivoire: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

144. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/34.
145. Members remarked on the fact that Cote d'Ivoire had not yet ratified the Beijing Amendment and asked whether HPMPs from other countries in the same situation had been approved. The meeting was informed that such HPMPs had indeed been approved previously.
146. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Côte d'Ivoire for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$2,004,371, consisting of US \$905,740, plus agency support costs of US \$109,631 for UNEP, and US \$920,000, plus agency support costs of US \$69,000 for UNIDO;
 - (b) To note that the Government of Côte d'Ivoire had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 63.8 ODP tonnes, calculated using actual consumption of 61.7 ODP tonnes and 65.9 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;

- (c) To deduct 22.33 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of Côte d'Ivoire and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXV to the present report;
- (e) To approve the first tranche of stage I of the HPMP for Côte d'Ivoire, and the corresponding implementation plan, at the amount of US \$774,760, consisting of US \$250,000, plus agency support costs of US \$30,260 for UNEP, and US \$460,000, plus agency support costs of US \$34,500 for UNIDO; and
- (f) To urge the Government of Côte d'Ivoire to ratify the Beijing Amendment as soon as possible.

(Decision 66/43)

Guinea: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

147. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/37.

148. One member remarked on the 100 per cent leakage rate for the industrial refrigeration systems, suggesting that this might indicate a considerable servicing issue and the need for additional training of technicians.

149. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Guinea for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, at the amount of US \$713,510, consisting of US \$327,000, plus agency support costs of US \$42,510 for UNEP, and US \$320,000, plus agency support costs of US \$24,000 for UNIDO;
- (b) To note that the Government of Guinea had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 22.6 ODP tonnes, calculated using actual consumption of 21.8 ODP tonnes and 23.4 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;
- (c) To deduct 7.91 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To approve the draft Agreement between the Government of Guinea and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXVI to the present report;
- (e) To approve the first tranche of stage I of the HPMP for Guinea, and the corresponding implementation plan, at the amount of US \$268,050, consisting of US \$85,000, plus agency support costs of US \$11,050 for UNEP, and US \$160,000, plus agency support costs of US \$12,000 for UNIDO; and

- (f) To request the Government of Guinea, during implementation of stage I of the HPMP, to give high priority to the implementation of a code of good service practice, and to strengthen the technical capacity of refrigeration service technicians in order to reduce the high leakage rate of HCFC refrigerants during service practices.

(Decision 66/44)

India: HCFC phase-out management plan (stage I, first tranche) (UNDP/UNEP/Germany)

150. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/38.

151. In the ensuing discussion, there was general appreciation of the efforts of the Government of India and of the implementing agencies and the overall approach was deemed a good one. Several members, however, expressed concerns relating to: the funding eligibility of the second-stage conversions therein; the percentage of the baseline to be addressed (19.2 per cent); the high-GWP value of some of the proposed alternatives, particularly in relation to the cost-effectiveness-related funding provisions of decision 60/44(f)(iv); the request for substantial funding for technical assistance for systems houses with no associated ODP value; the apparent growth in consumption in 2012 and the role of technical assistance in the servicing sector in curbing that growth; progress in implementing ODS policies and regulations; and the balance of US \$1.4 million remaining from CTC phase-out in India, which might be used for implementation of the HPMP.

152. Given the number of issues raised, the Executive Committee agreed to set up a contact group to consider the matter further.

153. Following the report by the convenor of the contact group who indicated that all issues raised by the Executive Committee had been addressed, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for India for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline, at the amount of US \$23,011,537, consisting of US \$18,438,490, plus agency support costs of US \$1,382,887 for UNDP, US \$861,600, plus agency support costs of US \$104,776 for UNEP, and US \$1,994,400, plus agency support costs of US \$229,384 for Germany;
- (b) To note that the Government of India had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 1,608.2 ODP tonnes, calculated using actual consumption of 1,598.7 ODP tonnes and 1,617.6 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus 83.05 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 1,691.25 ODP tonnes;
- (c) To deduct 341.77 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To note that no further funding would be provided from the Multilateral Fund to any systems houses in India;
- (e) To note that the Government of India agreed to convert all insular foam enterprises in stage I of its HPMP to cyclopentane technology;

- (f) To approve the draft Agreement between the Government of India and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXVII to the present report;
- (g) To approve the first tranche of stage I of the HPMP for India, and the corresponding implementation plan, at the amount of US \$12,265,080, consisting of US \$10,000,000, plus agency support costs of US \$750,000 for UNDP, US \$430,800, plus agency support costs of US \$52,388 for UNEP, and US \$925,452, plus agency support costs of US \$106,440 for Germany; and
- (h) To note that the Government of India recognized and would abide by all its Montreal Protocol obligations.

(Decision 66/45)

Kenya: HCFC phase-out management plan (stage I, first tranche) (France)

154. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/39.

155. The Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Kenya for the period 2012 to 2017 to reduce HCFC consumption by 21.1 per cent of the baseline, at the amount of US \$900,000, plus agency support costs of US \$109,000 for the Government of France;
- (b) To note that the Government of Kenya had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 52.2 ODP tonnes, calculated using actual consumption of 54.7 ODP tonnes and 49.6 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol;
- (c) To deduct 11.00 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (d) To note that approval of stage I of the HPMP did not preclude Kenya from submitting, prior to 2015, a proposal to achieve a reduction in HCFCs beyond that addressed in stage I of the HPMP;
- (e) To approve the draft Agreement between the Government of Kenya and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXVIII to the present report;
- (f) To approve the first tranche of stage I of the HPMP for Kenya, and the corresponding implementation plan, at the amount of US \$257,500, plus agency support costs of US \$31,186 for the Government of France; and
- (g) To urge the Government of Kenya to ratify the Beijing Amendment to the Montreal Protocol as soon as possible.

(Decision 66/46)

Kuwait: HCFC phase-out management plan (stage I, first tranche) (UNEP/UNIDO)

156. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/40. Issues raised included the high level of phase-out to be funded in stage I of the HPMP, the Government of Kuwait's voluntary deduction of HCFC consumption from the starting point for aggregate reduction, the high level of per capita consumption of HCFCs in the servicing sector, the opportunity for the country to submit a request for stage II funding by 2015 despite the already high reductions proposed under stage I, and the reallocation of funds from the country's TPMP to its HPMP. Requests for further clarification from a number of members led to the creation of an informal discussion group. The Convenor highlighted key modifications to the HPMP, namely: a decrease in overall funding for the project, a decrease in funding for the tonnage in the servicing sector, an increase of 10.13 ODP tonnes in the country's voluntary deduction from the starting point for aggregate reduction, and the transfer of a total of US \$248,000 from the country's TPMP to its HPMP with an associated phase-out of 3.03 ODP tonnes.

157. Following the report of the convenor, the Executive Committee decided:

- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Kuwait for the period 2012 to 2018 to reduce HCFC consumption by 39.2 per cent of the baseline, at the amount of US \$9,904,677, consisting of US \$1,043,000, plus agency support costs of US \$124,730 for UNEP, and US \$8,861,677, plus agency support costs of US \$664,626 for UNIDO;
- (b) To note that the Government of Kuwait had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 418.6 ODP tonnes, calculated using actual consumption of 398.1 ODP tonnes and 439.1 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, plus 10.64 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 429.24 ODP tonnes;
- (c) To note that the Government of Kuwait had committed to limiting the amount of imports of HCFC-141b to the current level of HCFC-141b exported in pre-blended polyols of 32.49 ODP tonnes once the conversion in the polyurethane foam sector and the implementation of the activities for the servicing sector for stage I had been completed;
- (d) To consider further voluntary commitments by the Government of Kuwait for reduction in HCFC consumption in the servicing sector, if possible, in future HPMP stages;
- (e) To deduct 239.15 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption;
- (f) To confirm that stage II of the HPMP would address targets beyond the country's 2020 reduction obligation;
- (g) To approve the draft Agreement between the Government of Kuwait and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXIX to the present report;
- (h) To approve the first tranche of stage I of the HPMP for Kuwait, and the corresponding implementation plan, at the amount of US \$4,112,885, consisting of US \$277,000, plus agency support costs of US \$33,126 for UNEP, and US \$3,537,450, plus agency support costs of US \$265,309 for UNIDO; and

- (i) To approve the reallocation of funding remaining from the terminal phase-out management plan (TPMP) of US \$220,000, plus agency support costs for UNEP, and US \$28,000, plus agency support costs for UNIDO, as agreed by the Government of Kuwait, in line with the implementation plan provided.

(Decision 66/47)

Sudan: HCFC phase-out management plan (stage I, first tranche) (UNIDO)

158. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/46.
159. The Executive Committee decided:
- (a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for Sudan for the period 2010 to 2017 to reduce HCFC consumption by 30 per cent of the baseline, at the amount of US \$400,000, plus agency support costs of US \$30,000 for UNIDO, and noting that the project to phase out 11.87 ODP tonnes of HCFC-141b used for polyurethane rigid foam production in the manufacture of domestic refrigerators, commercial refrigerators and polyurethane insulated composite panels by four enterprises, at the amount of US \$1,056,341, plus agency support costs of US \$79,226 for UNIDO, had already been approved at the 62nd meeting of the Executive Committee in 2010 and had been included in stage I of the HPMP;
- (b) To note:
- (i) That, with the amounts referred to in subparagraph (a) above, the total funding for stage I of the HPMP for Sudan amounted to US \$1,456,341, plus agency support costs of US \$109,226;
- (ii) That the Government of Sudan had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 50.6 ODP tonnes reported for 2009 under Article 7 of the Montreal Protocol, which were the latest data available when the HCFC phase-out umbrella project had been approved at the 62nd meeting;
- (iii) The deduction of 11.87 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 62nd meeting, and to deduct a further 4.28 ODP tonnes of HCFCs for implementation of stage I of the HPMP;
- (iv) That approval of stage I of the HPMP did not preclude Sudan from submitting, prior to 2015, a proposal to achieve a reduction in HCFC consumption beyond that addressed in stage I of the HPMP;
- (c) To approve the draft Agreement between the Government of Sudan and the Executive Committee for the reduction in consumption of HCFCs, as contained in Annex XXX to the present report; and
- (d) To approve the first tranche of stage I of the HPMP for Sudan, and the corresponding implementation plan, at the amount of US \$250,000, plus agency support costs of US \$18,750 for UNIDO.

(Decision 66/48)

Thailand: HCFC phase-out management plan (stage I, first tranche) (World Bank)

160. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/47.

161. Members raised a number of issues requiring further discussion, including: the high percentage of the baseline to be addressed by the project with no additional reduction commitment beyond 10 per cent; the planned transition to HFC-410a rather than a lower-GWP alternative in the air-conditioner manufacturing sector; the selection of HFC-245fa as one of the alternatives for HCFC-141b used in the foam sector; the relatively poor cost-effectiveness value; technical assistance for after-sales service; the strategy for conversion post-2015 that would involve companies creating stockpiles; second-stage conversions; and the relative lack of activities in the refrigeration servicing sector. The Executive Committee agreed to set up a contact group. The informal discussions brought out further matters for clarification requiring consultations between the implementation agency and the country.

162. Following a report by the convenor of the contact group, the Executive Committee decided to defer consideration of the HCFC phase-out management plan (stage I, first tranche) (World Bank) to the 67th meeting of the Executive Committee.

(Decision 66/49)

AGENDA ITEM 10: PROVISION OF INFORMATION ON SECOND-STAGE CONVERSIONS

(a) Information on previous conversions funded by the Multilateral Fund, including conditions under which agreements were signed with Article 5 countries on the phase-out of CFCs

163. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/49.

164. Many members expressed their appreciation of the quality of the information and detail in the document. One member urged that governments that had not yet introduced a policy banning the import of HCFC-141b should be encouraged to do so, given that the Multilateral Fund did not require the monitoring and tracking of pre-blended polyols. Another member pointed out that, even if the governments concerned agreed to make commitments to ban imports of HCFC-141b, that did not guarantee full funding of eligible incremental costs for second-stage conversion projects to phase out HCFC-141b contained in imported polyols, which would still be considered on a case-by-case basis.

165. The Executive Committee decided:

- (a) To take note of document UNEP/OzL.Pro/ExCom/66/49 containing information on previous conversions funded by the Multilateral Fund and describing the conditions under which agreements had been signed with Article 5 countries for the phase-out of CFCs;
- (b) That conversion of new HCFC foam production lines in second-stage conversion enterprises established after the enterprises had been converted to a non-CFC alternative were entitled to full funding of eligible incremental costs provided that the new lines were established prior to the cut-off date of 21 September 2007, and on the understanding that the cost of replacement or retrofit of any equipment item installed after the cut-off date would not be eligible for funding; and
- (c) To consider approving full funding of eligible incremental costs for second-stage conversion projects to phase out HCFC-141b contained in imported polyols on a case-by-case basis, on the understanding that the governments concerned agreed to make

commitments to ban imports of HCFC-141b, both in bulk and in pre-blended polyols, by a specific date to be included within the time-frame of the relevant stage of the HCFC phase-out management plan agreement.

(Decision 66/50)

(b) Options for a tracking system for HCFC-141b-based pre-blended polyols exported by systems houses and used by foam enterprises in importing Article 5 countries

166. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/50.

167. Several members emphasized the need for a framework to avoid double funding, while also acknowledging the difficulties surrounding the collection of data on HCFC-141b in imported and exported pre-blended polyols. It was pointed out that decision 61/47 already established that assistance was to be calculated on the basis of consumption of HCFC-141b sold domestically, and provided for the deduction of the amounts of HCFC-141b contained in exported pre-blended polyols from the starting point; collection of data would therefore benefit exporting countries by ensuring greater accuracy of the estimates used for deductions. Furthermore, the document under consideration did not propose an actual tracking system, but rather identified issues still to be addressed and aimed to render decision 61/47 more specific and operational.

168. One member contended that pre-blended polyols were not subject to the Montreal Protocol, and that provision of data on pre-blended polyols was beyond the scope of the Protocol. Another member drew attention to an understanding that, with regard to subparagraph (b) of the proposed decision, the issue the Executive Committee would be considering was whether the amount to be discounted from a country's starting point should be based on the year or years on which the starting point was based, and not whether or not to make a deduction, as the latter issue had already been decided under decision 61/47.

169. After brief consultations among the interested parties, the Executive Committee decided:

- (a) To take note of document UNEP/OzL.Pro/ExCom/66/50 containing information on options for a tracking system to correlate, by country, the amounts of HCFC-141b-based pre-blended polyols exported by systems houses, with the amounts used by foam enterprises in importing Article 5 countries that had been approved for phase-out, which could be updated on a periodic basis;
- (b) To consider discounting from a country's starting point for aggregate reductions in HCFC consumption the amount or average amount of HCFC-141b contained in pre-blended polyols exported for the year or years on which the starting point had been based;
- (c) To invite bilateral and implementing agencies, in collaboration with the Governments of Chile, China and Colombia, to provide the Secretariat with the best available data on the amount of HCFC-141b in pre-blended polyols exported in 2009 and 2010;
- (d) To request the Secretariat to update the information on the amounts of exports and imports of HCFC-141b contained in pre-blended polyols specified in Table 1 and Annex I, respectively, of document UNEP/OzL.Pro/ExCom/66/50, based on information invited under subparagraph (c) above and on additional or updated information reported in the context of HCFC phase-out management plans to be submitted, and to report back to the Executive Committee at its 68th meeting; and

- (e) To consider, at the 68th meeting, when to deduct the amounts of HCFC-141b exported in pre-blended polyols from the starting points for aggregate reductions in HCFC consumption of the countries concerned.

(Decision 66/51)

AGENDA ITEM 11: INCREMENTAL COSTS RELATED TO RETOOLING FOR MANUFACTURING HEAT EXCHANGERS (DECISIONS 61/45 AND 62/61)

170. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/51.

171. One member said that the report did not reflect the objections he had raised at the previous Executive Committee meeting at which the same issue had been discussed. Experts in his country had focused on different characteristics of the alternative refrigerant, concluding that it would be technically necessary to change the inner and outer diameters of the tubing, which would result in a significant increase in cost for the manufacturers. He suggested that a further detailed study be undertaken.

172. Other members were prepared to accept the recommendations of the Secretariat and to approve the additional costs associated with related conversions in projects previously approved in the air-conditioning manufacturing sector in Indonesia and Jordan. It was also stressed that the projects in those countries were being held in abeyance until a decision could be reached by the Executive Committee. Members in favour of accepting the recommendations of the Secretariat recalled that their original position had been that the incremental costs associated with retooling the heat exchangers were linked to an avoidable technical upgrade. However, some technical assistance could be provided for enterprises to improve the testing of heat exchangers.

173. Following informal discussion, the Executive Committee decided:

- (a) That in cases where the conversion of a manufacturer of HCFC air conditioning products to an alternative non-flammable substance with substantially higher working pressure was undertaken, and where that manufacturer had its own heat exchanger manufacturing facility, expenditures related to dynamic testing of heat exchangers were to be part of the conversion cost in order to ensure that they were sufficiently pressure-resistant;
- (b) To request the Secretariat to use, for those cases, the technical information provided in document UNEP/OzL.Pro/ExCom/66/51 and the related technical study, as well as any other relevant information available to determine the extent to which those costs were eligible and incremental;
- (c) For the project "Phase-out of HCFC-22 and HCFC-141b from the manufacture of unitary air-conditioning equipment at Petra Engineering Industries Co." (Jordan), to approve additional funding of US \$126,500, plus agency support costs of US \$9,488 for UNIDO, to cover the costs associated with changes in the heat exchanger production and testing, in line with decision 60/41, and to request the Secretariat to update the Agreement with Jordan accordingly when introducing any changes related to the determination of the baseline consumption for Jordan; and
- (d) For stage I of the HPMP for Indonesia (air-conditioning sector plan), to approve additional funding of US \$52,800, plus agency support costs of US \$3,960 for UNDP, to cover the costs associated with changes in heat exchanger production and testing, in line with decision 64/42, and to request the Secretariat to update the Agreement with Indonesia accordingly when introducing any changes related to the determination of the baseline consumption for Indonesia.

(Decision 66/52)

AGENDA ITEM 12: REPORT ON THE MULTILATERAL FUND CLIMATE IMPACT INDICATOR (DECISIONS 59/45, 62/62, 63/62, 64/51 AND 65/48)

174. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/66/52. One member had requested that the Secretariat give the Executive Committee a presentation on the MCII, to which the Secretariat had in principle agreed, but time constraints had prevented it from being given at the present meeting.

175. A number of members reiterated comments made at previous meetings about the benefits and limitations of the MCII. One member considered that it was too soon to develop the MCII in relation to the refrigeration servicing sector and that the Secretariat should first work on methodology in that regard. Others were adamant that the MCII should in no way be prescriptive so as to ensure that countries retained the ability to choose the alternatives they wished to introduce. Another member expressed a wish for the case-specific input used in the development of the MCII to be collated, in table form, for members' ease of reference, and offered to share a proposal with the Secretariat. Another member requested that at a future meeting the Secretariat should demonstrate how the MCII might be applied to choices of alternatives in HPMPs.

176. Given the lack of consensus on the matter, the Executive Committee decided to defer consideration of the report on the Multilateral Fund Climate Impact Indicator to the 67th meeting.

(Decision 66/53)

AGENDA ITEM 13: REPORT OF THE PRODUCTION SECTOR SUB-GROUP

177. The representative of Canada, as the convenor of the Production Sector Sub-group, introduced the Sub-group's report contained in document UNEP/OzL.Pro/ExCom/66/53.

178. The Executive Committee decided:

- (a) To take note of the report of the Production Sector Sub-group contained in document UNEP/OzL.Pro/ExCom/66/53;

Modification of China's CFC production sector phase-out plan to permit exemptions for the production of CFCs for essential uses approved for other Parties for 2012

- (b) To modify the CFC production sector Agreement for China to allow the production for export of pharmaceutical-grade CFCs in 2012, with an annual review, for purposes of meeting the 2012 essential use exemption for metered-dose inhalers (MDIs) authorized by the Parties in decision XXIII/2 for the other countries, provided the exporting country had reporting and verification systems in place and that the reporting and verification systems collected and reported on the following information:
 - (i) Documents from MDI manufacturers ordering pharmaceutical-grade CFCs;
 - (ii) Approvals from importing country governments for purchasing essential use pharmaceutical-grade CFCs;
 - (iii) Approvals received from governments of MDI-producing countries that ordered pharmaceutical-grade CFC and the essential production authorized;
 - (iv) Raw materials consumed for production run;
 - (v) Amount of pharmaceutical-grade CFC produced;

- (vi) Amount of non-pharmaceutical-grade CFC produced;
 - (vii) Documentation (transport, storage, disposal) verifying that the amount of non-pharmaceutical CFCs had been destroyed;
 - (viii) Export documentation from producers;
 - (ix) Invoices from MDI manufacturers;
 - (x) Audit reports verifying all the above;
- (c) To request the World Bank, as the implementing agency for the CFC production phase-out plans for China, to provide its services in carrying out the verification/audit and to submit reports to the Executive Committee on behalf of China on the understanding that:
- (i) The World Bank verified that the producer had access to destroy the excess CFC produced using a destruction technique approved by the Parties;
 - (ii) The cost of verification would be approved in advance of the audit by the Executive Committee;
- (d) That:
- (i) The Secretariat, on behalf of the Executive Committee, would seek confirmation from the importing country of the actual quantities imported by that country;
 - (ii) The producing country agreed to limit the production of non-pharmaceutical specification grade CFCs to the extent possible and pay for their destruction; and
 - (iii) The Executive Committee would consider application of the penalty clause to any CFC production determined as being excessive by the verification reports;

Draft report of the technical audit of the HCFC production sector in China

- (e) To note that the Fund Secretariat intended to:
- (i) Request the United Nations Office at Nairobi to end the contract with the consultant contracted for the technical audit of the HCFC production sector in China, by mutual agreement, ensuring payment for the work done to date, on the understanding that the consultant would provide to the Secretariat all of the data collected as part of the contract and satisfactorily answer all outstanding questions on the draft final report;
 - (ii) Pursue completion of the technical audit with the next lowest price bidder, enabling the new consultant to submit the final technical audit to the Committee at its 67th meeting;
- (f) To note that the delayed submission of the final technical audit report would not prevent the Executive Committee from considering the project proposal for HCFC phase-out plan for the production sector for China;
- (g) To request the members of the Production Sector Sub-group to submit comments relating to the final report to the Secretariat by 30 April 2012, on the understanding that any

further work on the technical audit would, to the extent possible, address issues raised in their written or oral comments, as well as those made by the Secretariat, the peer reviewer and the World Bank, at the level of individual plants;

- (h) Through the Government of China, to invite the HCFC production plants to provide data that they had not provided to the original consultant, including on:
 - (i) The book value for the facility relating directly to production of HCFCs for use in assessing residual plant value;
 - (ii) Trading price data for carbon emission reductions;
 - (iii) Incinerator costs; and
- (i) To request the Secretariat to review, for consideration at the 67th meeting, the project proposal for HCFC phase-out in the production sector in China, taking into account any available information from the technical audit, as well as any other relevant sources of information;

HCFC production sector guidelines

- (j) To request the Sub-group to continue its discussions on the HCFC production sector guidelines at the 67th meeting of the Executive Committee.

(Decision 66/54)

AGENDA ITEM 14: OTHER MATTERS

(a) Distribution of confidential documents

179. The representatives of Belgium, Finland and the United Kingdom of Great Britain and Northern Ireland submitted a proposal for a draft decision on the distribution of confidential documents, requesting the Secretariat to provide any identified technical information or Executive Committee document to any designated individual identified to be on the delegation of the requesting Executive Committee member, and requesting the Secretariat to upload all documents to be considered at an Executive Committee meeting onto the Multilateral Fund website unless requested not to do so by the Executive Committee. Clarification was sought and given on the procedure for protecting confidential information. Questions were also asked about how the draft decision would be implemented in practice, and what problem it was designed to solve. One of the proponent members explained that the purpose of the draft decision was to ensure that members of multi-country delegations might obtain timely access to documents when preparing for Executive Committee meetings. A number of members expressed an incomplete grasp of the proposed solution and its implications for the disclosure of confidential or sensitive information, and the Chair requested that the issue be postponed for further discussion at the 67th meeting of the Executive Committee. The member for Finland expressly requested to have the issue addressed at the 67th meeting of the Executive Committee, expressing disappointment at the way the matter had been handled.

180. Following the discussion, the Executive Committee decided:

- (a) To defer consideration of the distribution of confidential documents to the 67th meeting of the Executive Committee; and
- (b) To request the Secretariat to review current practice and decisions and to propose for consideration at the 67th meeting measures to ensure secure and timely distribution of confidential material to designated members of the Executive Committee.

(Decision 66/55)

(b) Report by UNEP on progress by Nepal in ratifying the Copenhagen Amendment

181. The representative of UNEP reported that Nepal had ratified the three remaining amendments to the Montreal Protocol (Copenhagen, Beijing and Montreal Amendments) and was in the process of depositing the instruments of ratification with the United Nations Treaty Depository Office in New York. He asked that, on this basis, the Executive Committee approve the first tranche of stage I of the HPMP for Nepal that had been approved in principle at the 62nd meeting of the Executive Committee.

182. He also thanked the Chief Officer and the Executive Secretary of the Ozone Secretariat for their participation in a high-level meeting in Nepal, which had facilitated approval of the instruments of ratification by the Government of Nepal.

183. The Chief Officer explained that, in addition to noting the ratification of the Copenhagen Amendment, the Executive Committee would have to approve the Agreement between the Executive Committee and Nepal. Several members asked whether it might be possible to approve the Agreement between Nepal and the Executive Committee and make the disbursement of the first tranche of stage I of the HPMP for Nepal conditional on the Secretariat receiving official notification from the Ozone Secretariat that the instruments of ratification had been deposited. The Secretariat further presented in a conference room paper the draft HPMP Agreement for the Committee's consideration.

184. The Executive Committee congratulated Nepal on ratifying the Copenhagen Amendment and, in the light of the discussion, agreed to consider the HPMP for Nepal at the present meeting (see paragraphs 131 and 132).

(c) Dates and venues of the 67th and 68th meeting of the Executive Committee

185. The Chief Officer informed the Executive Committee that the 67th meeting of the Executive Committee could be held in Bangkok from 16 to 20 July, during the week preceding the Thirty-second meeting of the Open-ended Working Group, and that its 68th meeting could be held in Montreal from 3 to 7 December, 2012.

186. The Executive Committee decided:

- (a) To hold its 67th meeting in Bangkok from 16 to 20 July 2012; and
- (b) To hold its 68th meeting in Montreal from 3 to 7 December 2012.

(Decision 66/56)

AGENDA ITEM 15: ADOPTION OF THE REPORT

187. The Executive Committee adopted its report on the basis of the draft report contained in document UNEP/OzL.Pro/ExCom/66/L.1.

AGENDA ITEM 16: CLOSURE OF THE MEETING

188. Following the customary exchange of courtesies, the Chair declared the meeting closed at 6 p.m. on Friday, 20 April 2012.

Annex I

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 1 : STATUS OF THE FUND FROM 1991-2012 (IN US DOLLARS)

As at 13 April 2012

INCOME		
Contributions received:		
- Cash payments including note encashments		2,536,827,405
- Promissory notes held		13,884,041
- Bilateral cooperation		140,044,118
- Interest earned		205,938,388
- Additional income from loans and other sources		-
- Miscellaneous income		14,844,965
Total Income		2,911,538,916
ALLOCATIONS* AND PROVISIONS		
- UNDP	671,401,773	
- UNEP	212,603,191	
- UNIDO	693,184,933	
- World Bank	1,075,413,393	
Unspecified projects	-	
Less Adjustments	-	
Total allocations to implementing agencies		2,652,603,290
Secretariat and Executive Committee costs (1991-2014)		
- includes provision for staff contracts into 2014		92,067,525
Treasury fees (2003-2012)		4,550,550
Monitoring and Evaluation costs (1999-2012)		3,353,504
Technical Audit costs (1998-2012)		1,709,960
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		140,044,118
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		(25,645,183)
Total allocations and provisions		2,868,788,515
Cash		28,866,360
Promissory Notes:		
	2012	5,553,616
	2013	6,479,219
	2014	1,851,206
		13,884,041
BALANCE AVAILABLE FOR NEW ALLOCATIONS		42,750,401

* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the Implementing Agencies. It reflects the Secretariat's inventory figures on the net approved amounts. These figures are under review in the on-going reconciliation exercise.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL
TABLE 2 : 1991 - 2012 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME
BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 13 April 2012

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	1991 - 2011	2012	1991 - 2012
Pledged contributions	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	399,640,706	2,814,006,785	133,333,333	2,947,340,118
Cash payments/received	206,363,053	381,555,255	412,907,966	407,967,672	417,556,075	339,810,017	351,299,551	2,517,459,590	19,367,815	2,536,827,405
Bilateral assistance	4,366,255	11,909,814	21,445,913	21,315,399	48,014,207	19,074,631	13,917,899	140,044,118	0	140,044,118
Promissory notes	0	0	0	0	0	(0)	13,884,041	13,884,041	0	13,884,041
Total payments	210,729,308	393,465,069	434,353,879	429,283,071	465,570,282	358,884,648	379,101,492	2,671,387,750	19,367,815	2,690,755,565
Disputed contributions	0	8,098,267	0	0	0	32,471,642	405,792	40,975,701	0	40,975,701
Outstanding pledges	24,199,933	31,376,278	38,213,130	10,716,930	8,429,718	9,143,832	20,539,215	142,619,035	113,965,518	256,584,553
Payments %age to pledges	89.70%	92.61%	91.91%	97.56%	98.22%	97.52%	94.86%	94.93%	14.53%	91.29%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	43,537,814	10,544,631	205,938,388		205,938,388
						0	0	0	0	0
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	3,377,184	3,547,653	13,399,363	1,445,601	14,844,965
TOTAL INCOME	217,495,055	423,288,168	480,262,993	484,354,955	486,330,908	405,799,646	393,193,776	2,890,725,501	20,813,416	2,911,538,917
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	1991 - 2011	2012	1991 - 2012
Total pledges	234,929,241	424,841,347	472,567,009	440,000,001	474,000,000	368,028,480	399,640,706	2,814,006,785	133,333,333	2,947,340,118
Total payments	210,729,308	393,465,069	434,353,879	429,283,071	465,570,282	358,884,648	379,101,492	2,671,387,750	19,367,815	2,690,755,565
Payments %age to pledges	89.70%	92.61%	91.91%	97.56%	98.22%	97.52%	94.86%	94.93%	14.53%	91.29%
Total income	217,495,055	423,288,168	480,262,993	484,354,955	486,330,908	405,799,646	393,193,776	2,890,725,501	20,813,416	2,911,538,917
Total outstanding contributions	24,199,933	31,376,278	38,213,130	10,716,930	8,429,718	9,143,832	20,539,215	142,619,035	113,965,518	256,584,553
As % to total pledges	10.30%	7.39%	8.09%	2.44%	1.78%	2.48%	5.14%	5.07%	85.47%	8.71%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,199,933	31,376,278	32,540,870	9,811,798	7,511,983	6,020,412	9,138,616	111,461,274	2,670,566	114,131,840
CEITs' outstandings %age to pledges	10.30%	7.39%	6.89%	2.23%	1.58%	1.64%	2.29%	3.96%	2.00%	3.87%

PS: CEITs are Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Tajikistan, Ukraine and Uzbekistan, including Turkmenistan up to 2004 as per decision XVI/39.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 3 : 1991-2012 Summary Status of Contributions

As at 13 April 2012

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB: Negative amount = Gain
Andorra	46,670	34,660	0	0	12,011	0
Australia*	57,173,856	55,901,949	1,610,907	0	-339,000	385,547
Austria	31,268,377	30,619,263	131,790	0	517,324	-825,237
Azerbaijan	919,349	311,683	0	0	607,666	0
Belarus	2,829,087	0	0	0	2,829,087	0
Belgium	38,782,280	36,953,780	0	0	1,828,500	710,805
Bulgaria	1,314,585	1,314,585	0	0	0	0
Canada*	104,766,259	88,699,411	9,758,469	0	6,308,378	-4,192,389
Cyprus	636,089	557,846	0	0	78,243	0
Czech Republic	8,656,950	8,335,349	287,570	0	34,031	236,259
Denmark	25,618,339	24,205,401	161,053	0	1,251,885	-917,062
Estonia	338,900	270,862	0	0	68,038	10,832
Finland	20,107,179	18,745,294	399,158	0	962,727	-708,738
France	225,578,650	199,891,123	15,272,729	0	10,414,798	-14,729,230
Germany	326,999,442	249,932,859	49,603,603	13,884,042	13,578,938	-1,945,564
Greece	16,652,913	14,216,932	0	0	2,435,981	-1,517,252
Holy See	1,701	0	0	0	1,701	0
Hungary	5,804,558	4,658,166	46,494	0	1,099,898	-76,259
Iceland	1,178,991	1,107,552	0	0	71,439	47,056
Ireland	10,256,215	10,256,215	0	0	0	534,869
Israel	12,221,000	3,824,671	152,462	0	8,243,867	0
Italy	177,061,369	152,689,704	15,287,208	0	9,084,458	3,291,976
Japan	578,412,036	533,442,251	18,080,919	0	26,888,866	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	544,605	479,969	0	0	64,636	-2,483
Liechtenstein	289,148	273,839	0	0	15,309	0
Lithuania	849,252	245,725	0	0	603,527	0
Luxembourg	2,640,056	2,486,973	0	0	153,084	-79,210
Malta	209,704	180,788	0	0	28,916	0
Monaco	192,777	192,777	0	0	0	-1,144
Netherlands	60,187,972	60,187,972	0	0	0	0
New Zealand	8,577,962	8,577,961	0	0	0	201,206
Norway	23,029,797	23,029,796	0	0	0	316,897
Panama	16,915	16,915	0	0	0	0
Poland	11,366,377	7,673,016	113,000	0	3,580,361	0
Portugal	13,789,863	11,191,959	101,700	0	2,496,204	198,162
Romania	741,125	440,060	0	0	301,065	0
Russian Federation	107,798,619	0	0	0	107,798,619	0
San Marino	5,103	0	0	0	5,103	0
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	2,658,083	2,400,028	16,523	0	241,532	0
Slovenia	1,580,596	1,580,596	0	0	0	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	89,648,253	77,184,335	3,184,763	0	9,279,155	-442,941
Sweden	39,463,839	37,775,466	1,688,374	0	0	-471,425
Switzerland	43,061,780	41,148,549	1,913,230	0	0	-2,132,315
Tajikistan	109,906	41,428	0	0	68,478	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	9,365,670	1,155,769	0	0	8,209,901	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	201,328,761	189,530,816	565,000	0	11,232,945	-3,537,544
United States of America	677,075,469	629,787,886	21,567,191	0	25,720,392	0
Uzbekistan	707,613	188,606	0	0	519,007	0
SUB-TOTAL	2,947,328,384	2,536,815,671	140,044,118	13,884,042	256,584,553	-25,645,183
Disputed Contributions***	40,975,701	0	0	0	40,975,701	0
TOTAL	2,988,304,085	2,536,815,671	140,044,118	13,884,042	297,560,254	0

NB: (*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39th Meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40th Meeting to read US \$1,208,219 and US \$6,449,438 instead of US \$1,300,088 and US \$6,414,880 respectively.

(**) In accordance with decisions VI/5 and XVI/39 of the Meeting of the Parties to the Montreal Protocol, Turkmenistan has been reclassified as operating under Article 5 in 2004 and therefore its contribution of US \$5,764 for 2005 should be disregarded.

(***) Amounts for France, Germany, Italy, Japan and the United Kingdom netted off from the 1996 contributions and are shown here for records only. Amount for the United States of America netted off from the 2007 and 2008 contributions. Additional amount of US\$ 405,792 reflected from the USA 2010 contributions.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 4 : Status of Contributions for 2012

As at 13 April 2012

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	11,907				11,907
Australia	3,287,899	3,287,899			0
Austria	1,447,492	930,168			517,324
Azerbaijan	25,514				25,514
Belarus	71,439				71,439
Belgium	1,828,500				1,828,500
Bulgaria	64,635	64,635			0
Canada	5,454,884				5,454,884
Cyprus	78,243				78,243
Czech Republic	593,625	559,594			34,031
Denmark	1,251,885				1,251,885
Estonia	68,037				68,037
Finland	962,727				962,727
France	10,414,798				10,414,798
Germany	13,638,062				13,638,062
Greece	1,175,343				1,175,343
Holy See	1,701				1,701
Hungary	494,971				494,971
Iceland	71,439				71,439
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	4,665,224			3,837,728
Japan	21,312,660				21,312,660
Latvia	64,635				64,635
Liechtenstein	15,308				15,308
Lithuania	110,560				110,560
Luxembourg	153,084				153,084
Malta	28,916				28,916
Monaco	5,103	5,103			0
Netherlands	3,155,226	3,155,226			0
New Zealand	464,354	464,354			0
Norway	1,481,511	1,481,511			0
Poland	1,408,371				1,408,371
Portugal	869,176				869,176
Romania	301,065				301,065
Russian Federation	2,724,891				2,724,891
San Marino	5,103				5,103
Slovak Republic	241,532				241,532
Slovenia	175,196	175,196			0
Spain	5,403,857				5,403,857
Sweden	1,809,790	1,809,790			0
Switzerland	1,922,052	1,922,052			0
Tajikistan	3,402				3,402
Ukraine	147,981				147,981
United Kingdom	11,232,946				11,232,946
United States of America	29,333,333				29,333,333
Uzbekistan	17,009				17,009
TOTAL	133,333,333	19,367,815	0	0	113,965,518

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 5 : Summary Status of Contributions for 2009-2011

As at 13 April 2012

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	34,764	34,660	0	0	104
Australia	8,678,133	8,678,133	339,000	0	(339,000)
Austria	4,307,501	4,307,501	0	0	0
Azerbaijan	24,281	0	0	0	24,281
Belarus	97,125	0	0	0	97,125
Belgium	5,351,596	5,351,596	0	0	0
Bulgaria	97,125	97,125	0	0	0
Canada	14,457,080	13,174,751	428,835	0	853,494
Cyprus	213,675	213,675	0	0	0
Czech Republic	1,364,608	1,143,128	221,480	0	0
Denmark	3,588,775	3,588,775	0	0	0
Estonia	77,700	77,700	0	0	0
Finland	2,738,929	2,738,929	0	0	0
France	30,599,281	29,539,244	1,060,037	0	0
Germany	41,652,124	19,437,658	8,330,424	13,884,041	1
Greece	2,894,330	1,633,692	0	0	1,260,637
Hungary	1,184,927	580,000	0	0	604,927
Iceland	179,682	179,682	0	0	0
Ireland	2,161,035	2,161,035	0	0	0
Israel	2,034,772	0	0	0	2,034,772
Italy	24,664,934	18,720,781	807,950	0	5,136,203
Japan	80,730,431	78,893,258	1,837,173	0	0
Latvia	87,413	87,413	0	0	0
Liechtenstein	48,563	48,563	0	0	0
Lithuania	150,544	0	0	0	150,544
Luxembourg	412,782	412,782	0	0	0
Malta	82,556	82,556	0	0	0
Monaco	14,569	14,569	0	0	0
Netherlands	9,095,771	9,095,771	0	0	0
New Zealand	1,243,202	1,243,202	0	0	0
Norway	3,797,594	3,797,594	0	0	0
Poland	2,432,985	260,995	0	0	2,171,990
Portugal	2,559,248	932,219	0	0	1,627,029
Romania	339,938	339,938	0	0	0
Russian Federation	5,827,509	0	0	0	5,827,509
San Marino	11,734	11,734	0	0	0
Slovak Republic	305,944	305,944	0	0	0
Slovenia	466,201	466,201	0	0	0
Spain	14,413,373	9,080,075	893,000	0	4,440,299
Sweden	5,201,052	5,201,052	0	0	0
Switzerland	5,905,210	5,905,210	0	0	0
Tajikistan	4,857	0	0	0	4,857
Ukraine	218,532	0	0	0	218,532
United Kingdom	32,255,265	32,255,265	0	0	0
United States of America	87,594,208	91,207,148	0	0	(3,612,940)
Uzbekistan	38,850	0	0	0	38,850
SUB-TOTAL	399,640,706	351,299,551	13,917,899	13,884,041	20,539,215
Disputed Contributions(*)	405,792	0	0	0	405,792
TOTAL	400,046,498	351,299,551	13,917,899	13,884,041	20,945,007

(*) Additional amount on Disputed contribution relating to the USA.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 6 : Status of Contributions for 2011

As at 13 April 2012

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,948	12,881			67
Australia	2,892,711	2,892,711	339,000		(339,000)
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	3,965,533			853,494
Cyprus	71,225	71,225			0
Czech Republic	454,869	415,319	39,550		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760	9,634,760	565,000		0
Germany	13,884,041	925,603	2,776,808	4,628,014	5,553,617
Greece	964,777				964,777
Hungary	394,976				394,976
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	5,455,623			2,766,022
Japan	26,910,144	26,440,498	469,646		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,924			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995				810,995
Portugal	853,083				853,083
Romania	113,313	113,313			0
Russian Federation	1,942,503				1,942,503
San Marino	4,855	4,855			0
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	929,159			3,875,299
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	29,333,333	32,946,274			(3,612,941)
Uzbekistan	12,950				12,950
SUB-TOTAL	133,351,137	109,613,908	4,190,004	4,628,014	14,919,211
		0	0	0	0
TOTAL	133,351,137	109,613,908	4,190,004	4,628,014	14,919,211

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 7 : Status of Contributions for 2010

As at 13 April 2012

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,948	12,911			37
Australia	2,892,711	2,892,711			0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	4,489,632	329,395		0
Cyprus	71,225	71,225			0
Czech Republic	454,869	363,904	90,965		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760	9,907,090	207,355		85,315
Germany	13,884,041	6,942,021	2,776,808	6,942,021	(2,776,808)
Greece	964,777	668,916			295,861
Hungary	394,976	185,024			209,952
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	6,577,316	655,400		988,929
Japan	26,910,144	25,702,795	1,207,349		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,923			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995				810,995
Portugal	853,083	79,137			773,946
Romania	113,313	113,313			0
Russian Federation	1,942,503				1,942,503
San Marino	4,855	4,855			0
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	3,911,458	893,000		(0)
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	28,927,541	28,927,541			0
Uzbekistan	12,950				12,950
SUB-TOTAL	132,945,345	116,656,002	6,160,272	6,942,021	3,187,050
Disputed Contributions(*)	405,792	0	0	0	405,792
TOTAL	133,351,137	116,656,002	6,160,272	6,942,021	3,592,842

(*) Additional amount on Disputed contribution relating to the USA.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 8 : Status of Contributions for 2009

As at 13 April 2012

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	8,868	8,868			0
Australia	2,892,711	2,892,711			0
Austria	1,435,834	1,435,834			0
Azerbaijan	8,094				8,094
Belarus	32,375				32,375
Belgium	1,783,865	1,783,865			0
Bulgaria	32,375	32,375			0
Canada	4,819,027	4,719,586	99,440		0
Cyprus	71,225	71,225			0
Czech Republic	454,869	363,904	90,965		0
Denmark	1,196,258	1,196,258			0
Estonia	25,900	25,900			0
Finland	912,976	912,976			0
France	10,199,760	9,997,393	287,682		(85,315)
Germany	13,884,041	11,570,034	2,776,808	2,314,007	(2,776,808)
Greece	964,777	964,777			(0)
Hungary	394,976	394,976			(0)
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	6,687,842	152,550		1,381,252
Japan	26,910,144	26,749,966	160,178		0
Latvia	29,138	29,138			0
Liechtenstein	16,188	16,188			0
Lithuania	50,181				50,181
Luxembourg	137,594	137,594			0
Malta	27,519	27,519			0
Monaco	4,856	4,856			0
Netherlands	3,031,924	3,031,924			0
New Zealand	414,401	414,401			0
Norway	1,265,865	1,265,865			0
Poland	810,995	260,995			550,000
Portugal	853,083	853,082			0
Romania	113,313	113,313			0
Russian Federation	1,942,503				1,942,503
San Marino	2,023	2,023			0
Slovak Republic	101,981	101,981			0
Slovenia	155,400	155,400			0
Spain	4,804,458	4,239,458			565,000
Sweden	1,733,684	1,733,684			0
Switzerland	1,968,403	1,968,403			0
Tajikistan	1,619				1,619
Ukraine	72,844				72,844
United Kingdom	10,751,755	10,751,755			0
United States of America	29,333,333	29,333,333			0
Uzbekistan	12,950				12,950
TOTAL	133,344,225	125,029,641	3,567,623	2,314,007	2,432,954

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 9 : Status of Contributions for 2006-2008

As at 13 April 2012

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Australia	7,980,429	7,850,479	129,950	0	0
Austria	4,306,023	4,306,023	0	0	0
Azerbaijan	25,064	0	0	0	25,064
Belarus	90,231	0	0	0	90,231
Belgium	5,358,718	5,358,718	0	0	0
Bulgaria	85,218	85,218	0	0	0
Canada	14,101,098	12,492,945	1,608,153	0	0
Cyprus	195,500	195,500	0	0	0
Czech Republic	917,348	917,348	0	0	0
Denmark	3,599,214	3,599,214	0	0	0
Estonia	60,154	60,154	0	0	0
Finland	2,671,840	2,671,840	0	0	0
France	30,227,380	27,778,425	2,357,630	0	91,325
Germany*	43,421,156	34,736,924	8,743,355	1	(59,124)
Greece	2,656,801	1,527,311	0	0	1,129,490
Hungary	631,617	631,617	0	0	0
Iceland	170,436	170,436	0	0	0
Ireland	1,754,491	1,754,491	0	0	0
Israel	2,340,993	0	114,356	0	2,226,637
Italy	24,487,687	19,590,142	4,787,018	0	110,527
Japan	88,088,000	88,088,000	96,050	0	(96,050)
Latvia	75,192	75,192	0	0	0
Liechtenstein	25,064	25,064	0	0	0
Lithuania	120,308	0	0	0	120,308
Luxembourg	385,988	385,988	0	0	0
Malta	70,180	70,180	0	0	0
Monaco	15,038	15,038	0	0	0
Netherlands	8,471,687	8,471,687	0	0	0
New Zealand	1,107,836	1,107,836	0	0	0
Norway	3,403,713	3,403,713	0	0	0
Poland	2,310,916	2,310,916	0	0	0
Portugal	2,356,031	2,356,031	0	0	0
Romania	100,122	100,122	0	0	0
Russian Federation	5,514,116	0	0	0	5,514,116
Slovak Republic	255,654	255,654	0	0	0
Slovenia	411,052	411,052	0	0	0
Spain	12,632,338	12,470,176	731,562	0	(569,400)
Sweden	5,002,807	5,002,807	0	0	0
Switzerland	6,000,361	5,203,789	506,557	0	290,015
Tajikistan	5,013	0	0	0	5,013
Ukraine	195,500	0	0	0	195,500
United Kingdom	30,713,625	30,713,625	0	0	0
United States of America**	55,616,358	55,616,359	0	0	(1)
Uzbekistan	70,180	0	0	0	70,180
TOTAL	368,028,480	339,810,017	19,074,631	1	9,143,831

* Bilateral assistance of US \$572,817 approved at the 51st Meeting of the Excom applied in 2008 and US \$353,814 approved at the 52nd Meeting of the Excom applied in 2008 for Germany.

** The total contribution shown here for the USA for the replenishment period is after netting off the disputed amount of US \$32,471,642.

Table 10: Status of Promissory Notes as at 13 April 2011

MULTILATERAL FUND'S PROMISSORY NOTES

Country	HELD BY			IMPLEMENTING AGENCY FOR WHICH HELD OR ASSIGNED TO					
	A WORLD BANK	B TREASURER	C= A+B TOTAL	D UNDP	E UNEP	F UNIDO	G WORLD BANK	H TREASURER	D+E+F+G+H=I I=C TOTAL
	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value	Net Value
Canada			0					0	0
France			0					0	0
Germany		13,884,041	13,884,041					13,884,041	13,884,041
The Netherlands			0					0	0
United Kingdom			0					0	0
United States of America			0					0	0
TOTAL	0	13,884,041	13,884,041	0	0	0	0	13,884,041	13,884,041

Table 11 : SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2012

Table 11 : SCHEDULE OF MULTILATERAL FUND PROMISSORY NOTES: 2004 - 2012												
RECEIPTS							ENCASHMENTS					
Date of Submission a/	Year of contribution	Country of Origin	P/Note code	Denomination/ Type of currency	Amount (in Original denomination)	Note Value in USD per UNEP	Date of transfer	Agency	Transfer amount in Original denomination	Date of Encashment	Actual Encashment value (USD)	Gain/(Loss) to intended value (USD)
						5,359,251.32	Feb. 2006	TREASURER	3,621,782.04	Feb. 2006	6,303,711.64	944,460.32
						3,572,834.20	24/07/2006	TREASURER	3,621,782.04	24/07/2006	4,473,383.73	900,549.53
						10,718,502.63			7,243,564.08		12,943,645.39	2,225,142.76
01/06/2005	2005	UK		GBP	7,243,564.08	10,718,502.63						
						1,786,417.11	24/07/2006	TREASURER	1,207,260.88	24/07/2006	2,236,691.86	450,274.75
						4,881,386.55	09/08/2006	TREASURER	3,163,681.03	09/08/2006	6,036,303.40	1,354,916.85
						4,250,698.97	16/08/2006	TREASURER	2,872,622.37	16/08/2006	5,429,236.28	1,178,537.31
						10,718,502.63			7,243,564.08		13,702,231.54	2,983,728.91
13/05/2005	2004	USA		US\$	4,920,000.00	4,920,000.00	27/10/2005	TREASURER	2,000,000.00	27/10/2005	2,000,000.00	-
							02/11/2006	TREASURER	2,000,000.00	02/11/2006	2,000,000.00	-
							25/10/2007	TREASURER	920,000.00	25/10/2007	920,000.00	-
									4,920,000.00			
01/03/2006	2005	USA		US\$	3,159,700.00	3,159,700.00	02/11/2006	TREASURER	2,000,000.00	02/11/2006	2,000,000.00	-
							25/10/2007	TREASURER	1,159,700.00	25/10/2007	1,159,700.00	-
									3,159,700.00			
25/04/2007	2006	USA		US\$	7,315,000.00	7,315,000.00	25/10/2007	TREASURER	2,500,000.00	25/10/2007	2,500,000.00	-
							19/11/2008	TREASURER	2,500,000.00	19/11/2008	2,500,000.00	-
							11/05/2009	TREASURER	2,315,000.00	11/05/2009	2,315,000.00	-
									7,315,000.00			
21/02/2008	2008	USA		US\$	4,683,000.00	4,683,000.00	19/11/2008	TREASURER	2,341,500.00	19/11/2008	2,341,500.00	-
							11/05/2009	TREASURER	2,341,500.00	11/05/2009	2,341,500.00	-
									4,683,000.00			
21/04/2009	2009	USA		US\$	5,697,000.00	5,697,000.00	11/05/2009	TREASURER	1,900,000.00	11/05/2009	1,900,000.00	-
							04/11/2010	TREASURER	1,900,000.00	04/11/2010	1,900,000.00	-
							03/11/2011	TREASURER	1,897,000.00	03/11/2011	1,897,000.00	-

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL**Table 12: OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT 13 APRIL 2012
(IN US\$)**

	Due in 2012	Due in 2013	Due in 2014	TOTAL
<u>GERMANY:</u>				
2009	2,314,008			2,314,008
2010	2,314,006	4,628,013		6,942,019
2011	925,602	1,851,206	1,851,206	4,628,014
	5,553,616	6,479,219	1,851,206	13,884,041

NOTE:

Germany's promissory notes due are payable in February and August of the relevant years.

**LIST OF COUNTRIES WHICH AS AT 13 APRIL 2012 HAVE EITHER CONFIRMED
TO THE TREASURER IN WRITING THAT THEY WOULD BE USING THE FIXED-
EXCHANGE-RATE MECHANISM DURING
THE 2012 – 2014 REPLENISHMENT PERIOD OR PAID IN NATIONAL CURRENCIES
WITHOUT FORMALLY WRITING TO THE TREASURER**

1. Australia
2. Austria
3. Canada
4. Czech Republic
5. Denmark
6. Ireland
7. Monaco
8. New Zealand
9. Norway
10. Sweden
11. Switzerland

Annex II

PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS WERE REQUESTED

Agency	Code	Project Title	Reasons
France	AFR/SEV/53/TAS/39	African customs enforcement networks for preventing illegal trade of ODS in the African sub-regional trade organizations (CEMAC, COMESA, SACU and UEMOA)	Status of the agreement on a training institution.
IBRD	ARG/FUM/29/DEM/93	Demonstration project for testing methyl bromide alternatives in post-harvest disinfection for cotton and citrus (phase I)	Status of the preparation of the report on unused funds and the final report.
IBRD	ARG/PHA/47/INV/148	National CFC phase-out plan: 2006 work programme	Status of the signature of the agreements for the three remaining companies.
IBRD	IDS/DES/57/PRP/187	Preparation for pilot demonstration project on ODS waste management and disposal	Status of completion of the report on ODS destruction if not submitted at the 67 th Meeting.
IBRD	MEX/DES/58/PRP/143	Preparation for the second component of the pilot demonstration project on ODS waste management and disposal	Report on the second component of the pilot demonstration project on ODS waste management and disposal if not submitted at the 67 th Meeting
IBRD	PHI/DES/57/PRP/85	Preparation for pilot demonstration project on ODS waste management and disposal	Status of completion of the report on ODS destruction if not submitted at the 67 th Meeting.
IBRD	TUN/PHA/49/INV/47	National ODS phase-out plan (first tranche)	Status of the procurement of recovery and recycling equipment for the NPP.
IBRD	TUN/PHA/61/INV/51	National ODS phase-out plan (second tranche)	Status of the procurement of recovery and recycling equipment for the NPP.
Japan	AFR/REF/48/DEM/35	Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan (the))	Status of the negotiations with the Nigerian Bank for the African regional chiller project.
UNDP	BGD/FOA/62/INV/38	Conversion from HCFC-141b to cyclopentane technology in manufacturing refrigeration equipment insulation foam at Walton Hi-Tech Industries Limited	Status report only if the project document/agreement is not signed by beneficiary in as planned.
UNDP	BRA/DES/57/PRP/288	Preparation for pilot demonstration project on ODS waste management and disposal	Status of project preparation if project is not submitted to the 67 th Meeting.
UNDP	BRA/REF/47/DEM/275	Demonstration project for integrated management of the centrifugal chiller sub-sector, focusing on application of energy-efficient CFC-free technologies for replacement of CFC-based chillers	Low rate of disbursement of approved funds.
UNDP	DOM/HAL/51/TAS/39	National halon bank management plan update	To monitor the status of disbursement of fund for this project.

Agency	Code	Project Title	Reasons
UNDP	HAI/PHA/58/INV/14	Terminal phase-out management plan for Annex A Group I substances (first tranche)	Status of disbursement of fund since there has been no disbursement reported.
UNDP	IND/DES/61/PRP/437	Preparation of a project for demonstration of a sustainable technological, financial and management model for disposal of ODS	To monitor Status of project preparation.
UNEP	ANT/SEV/44/INS/11	Extension of institutional strengthening project (phase III)	Financial and progress reports are outstanding for the third consecutive meeting.
UNEP	BAH/SEV/60/INS/24	Extension of institutional strengthening project (phase VI)	Financial and progress reports are outstanding for the third consecutive meeting.
UNEP	BEN/SEV/62/INS/24	Renewal of institutional strengthening project (phase VII)	Project document signature for institutional strengthening.
UNEP	GRN/SEV/60/INS/17	Extension of the institutional strengthening project (phase III)	Financial and progress reports are outstanding for the third consecutive meeting.
UNEP	IRQ/SEV/57/INS/05	Institutional strengthening (phase I)	Financial and progress reports are outstanding for the third consecutive meeting.
UNEP	MAU/SEV/49/INS/17	Renewal of institutional strengthening project (phase IV)	Financial and progress reports are outstanding for the third consecutive meeting.
UNEP	MOR/SEV/59/INS/63	Renewal of the institutional strengthening project (phase IV)	Project document signature for institutional strengthening.
UNIDO	AFR/REF/48/DEM/37	Strategic demonstration project for accelerated conversion of CFC chillers in 5 African Countries (Cameroon, Egypt, Namibia, Nigeria and Sudan (the))	Status of the agreement with Nigerian bank of Industry.
UNIDO	ETH/FUM/54/PRP/18	Project preparation in the fumigant sector (flowers)	Status of project preparation if the project is not submitted to the 67 th meeting
UNIDO	EUR/REF/47/DEM/06	Demonstration project on the replacement of CFC centrifugal chillers in Croatia, Macedonia, Romania, and Serbia and Montenegro	Results of the visual and operational inspections of transfer of the chiller project to the new site at the hospital in Serbia.
UNIDO	IND/PHA/45/INV/385	CTC phase-out plan for the consumption and production sectors: 2005 annual programme	Identification of a supplier of the equipment for the project.
UNIDO	IND/PHA/49/INV/402	CTC phase-out plan for the consumption and production sectors: 2006 annual programme	Identification of a supplier of the equipment for the project.

Agency	Code	Project Title	Reasons
UNIDO	IVC/REF/57/INV/32	ODS phase out in 50 existing centrifugal chillers units	Selection of a consultant to implement the project.
UNIDO	LEB/DES/61/PRP/72	Preparation for pilot demonstration project on ODS waste management and disposal	To monitor the status of project preparation if not submitted at the 67 th meeting.
UNIDO	QAT/SEV/59/INS/15	Renewal of institutional strengthening project (phase III)	Status of the project document signature.
UNIDO	SYR/REF/47/DEM/93	Demonstration project on the replacement of CFC centrifugal chillers	To monitor the status of the redesign of the project.
UNIDO	SYR/REF/62/INV/103	Phase-out of HCFC-22 and HCFC-141b from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels at Al Hafez Group	Status of the initiation of project implementation.
UNIDO	TKM/PHA/62/INV/08	HCFC phase-out management plan (stage I, first tranche)	Status of the initiation of project implementation.

Annex III**PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS WERE REQUESTED FOR HPMP DEVELOPMENT**

Agency	Code	Project Title	Reasons
IBRD	PHI/REF/59/PRP/88	Preparation for HCFC phase-out investment activities (domestic air-conditioning sector) in the Philippines	To monitor the submission of the HCFC refrigeration sector plan if not submitted at the 67 th Meeting
UNDP	PER/PHA/55/PRP/40	Preparation of a HCFC phase-out management plan in Peru	To monitor the submission of the HPMP
UNEP	BAR/PHA/55/PRP/18	Preparation of a HCFC phase-out management plan in Barbados	To monitor the submission of the HPMP
UNEP	HAI/PHA/57/PRP/13	Preparation of a HCFC phase-out management plan in Haiti	To monitor the submission of the HPMP
UNEP	MAU/PHA/55/PRP/20	Preparation of a HCFC phase-out management plan in Mauritania	To monitor the submission of the HPMP
UNIDO	SOA/PHA/55/PRP/01	Preparation of a HCFC phase-out management plan in South Africa	To monitor the submission of the HPMP if HPMP not submitted at the 67 th Meeting

Annex IV

PERFORMANCE INDICATORS FOR UNDP

Item	2012 Targets
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	16
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	15
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	12
ODS phased-out for individual projects versus those planned per progress reports	18.9
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	41
Number of policy/regulatory assistance completed versus that planned	tbd
Speed of financial completion versus that required per progress report completion dates	On time
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

Annex V

PERFORMANCE INDICATORS FOR UNEP

Item	2012 Targets
Number of annual programmes of multi-year agreements approved versus those planned	26
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	79
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	5
ODS phased-out for individual projects versus those planned per progress reports	0.0 ODP tonnes
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	41
Number of policy/regulatory assistance completed versus that planned	100% of countries listed in the annex of UNEP's Business Plan narrative either received assistance or assistance was offered
Speed of financial completion versus that required per progress report completion dates	On time
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

**PERFORMANCE INDICATORS FOR UNEP'S COMPLIANCE ASSISTANCE PROGRAMME
(CAP)**

Performance Indicator	Data	Assessment	2012 Targets
Efficient follow-up to regional network/ thematic meetings	List of recommendations emanating from 2011 regional network/thematic meetings	Implementation rate of those meeting recommendations that are to be implemented in 2012	90 % implementation rate
Effective support to NOUs in their work, particularly guidance to new NOUs	List of innovative ways/means/products/ services for supporting NOUs in their work, with specification of those destined for new NOUs	Number of innovative ways/means/products/services for supporting NOUs in their work, with specification of those destined for new NOUs	<ul style="list-style-type: none"> ▪ 7 such ways/means/ products/services; ▪ All new NOUs receive capacity building support. ▪ 10 additional countries submit CP reports using the Multilateral Fund Secretariat's online data reporting system
Assistance to countries in actual or potential non-compliance (as per MOP decisions and/or as per reported Article 7 data and trend analysis)	List of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	Number of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	All such countries
Innovations in production and delivery of global and regional information products and services	List of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	Number of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	7 such products and services
Close cooperation between CAP regional teams and IAs and BAs working in the regions	List of joint missions/ undertakings of CAP regional staff with IAs and BAs	Number of joint missions/undertakings	5 in each region

Annex VI

PERFORMANCE INDICATORS FOR UNIDO

Item	2012 Targets
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	34
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	10
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	14
ODS phased-out for individual projects versus those planned per progress reports	0
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	3
Number of policy/regulatory assistance completed versus that planned	N/A
Speed of financial completion versus that required per progress report completion dates	12 months after operational completion
Timely submission of project completion reports versus those agreed	On time
Timely submission of progress reports and responses unless otherwise agreed	On time

Annex VII

PERFORMANCE INDICATORS FOR THE WORLD BANK

Item	2012 Targets
Number of annual programmes of multi-year agreements approved versus those planned (new plus tranches of ongoing MYAs)	5/5
Number of individual projects/activities (investment and demonstration projects, TAS, institutional strengthening) approved versus those planned	4/4
Milestone activities completed/ODS levels achieved for approved multi-year annual tranches versus those planned	2/2
ODS phased-out for individual projects versus those planned per progress reports	8.5
Project completion (pursuant to decision 28/2 for investment projects) and as defined for non-investment projects versus those planned in progress reports	6/6
Number of policy/regulatory assistance completed versus that planned	100%
Speed of financial completion versus that required per progress report completion dates	11 months

Annex VIII

REVISED APPENDIX 5-A TO THE AGREEMENT FOR THE HCFC PHASE-OUT MANAGEMENT PLAN (STAGE I) BETWEEN THE GOVERNMENT OF CHINA AND THE EXECUTIVE COMMITTEE

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Foreign Economic Cooperation Office/Ministry of Environment (FECO/MEP) is responsible for the overall coordination of activities to be undertaken in the HCFC phase-out management plan with assistance of the Lead IA and acts as the National Ozone Unit, responsible for carrying out national policies and legislations regarding the control of ozone depleting substances.
2. The national consumption will be monitored and determined based on production data and official import and export data for the Substances recorded by relevant government departments in line with paragraph 5(a)(ii) of this agreement.
3. In addition to the a national system of licensing and quotas for HCFC imports, production and exports referred to in paragraph 5(a)(iii), a quota system covering enterprises using large quantities of HCFC in the different consumption sectors, where applicable, will be established to control the consumption growth, achieve the consumption reduction in those enterprises and collect the consumption data.
4. For those sectors with large amounts of small and medium enterprises, like PU foam sector, solvent sector, XPS foam sector and ICR sector, the consumption would be managed by limiting the quantities of the relevant substances to be sold to the domestic market.
5. FECO/MEP will closely supervise those enterprises carrying out the conversion activities in stage I of the HPMP to ensure the phase-out target in those enterprises had been achieved.
6. FECO/MEP will co-ordinate with the Lead IA and Cooperating IAs to facilitate the verification of the targets set in the Agreement.
7. FECO/MEP will co-operate with the Lead IA and Cooperating IAs in the preparation of reports according to paragraph 5(b)(ii) and Appendix 4-A of this Agreement.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ALBANIA						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase V: 7/2012-6/2014)	UNEP		\$109,200	\$0	\$109,200	
Total for Albania			\$109,200		\$109,200	

ALGERIA

REFRIGERATION

Air conditioning

HCFC phase-out management plan (stage I, first tranche) (conversion from HCFC-22 in the manufacture of room air conditioners at Condor)	UNIDO	8.3	\$1,379,460	\$103,460	\$1,482,920	9.18
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2010 to 2017 to reduce HCFC consumption by 20 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 30.2 ODP tonnes, calculated using consumption of 30.2 ODP tonnes reported for each 2009 and 2010, plus 5.36 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 35.56 ODP tonnes; and that in the event that the Parties to the Montreal Protocol agreed to change the baseline for compliance as calculated in the HPMP, the starting point for aggregate reduction in HCFC consumption would be 67.46 ODP tonnes (i.e., 62.1 ODP tonnes as the revised baseline for compliance plus 5.36 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems). Noted that the project to phase out HCFC-141b used in the manufacture of polyurethane rigid insulation foam for domestic refrigerators at Cristor had already been approved at the 62nd meeting in 2010 and had subsequently been included in stage I of the HPMP. Noted the commitment of the Government to ban the import of HCFC-141b in bulk, by 1 January 2016 once the conversion of the enterprise Cristor was completed and an alternative process for cleaning refrigeration circuits was implemented. Noted that approval of stage I of the HPMP did not preclude Algeria from submitting, prior to 2015, a proposal to achieve a reduction in HCFCs beyond that addressed in stage I of the HPMP. Noted the deduction of 2.40 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 62nd meeting, and UNIDO and the Government were requested to further deduct 12.08 ODP tonnes of HCFCs for implementation of stage I of the HPMP. The Fund Secretariat was requested, in the event that the baseline consumption for compliance is amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption. In the event that the Parties did not agree to change the baseline for compliance, stage I of the HPMP would reduce HCFC consumption by 35 per cent of the baseline by 2020 and the Agreement would be revised accordingly.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (activities in the refrigeration servicing sector including phase-out of HCFC-141b used for flushing, and project monitoring)	UNIDO	2.8	\$214,400	\$16,080	\$230,480	4.50
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2010 to 2017 to reduce HCFC consumption by 20 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 30.2 ODP tonnes, calculated using consumption of 30.2 ODP tonnes reported for each 2009 and 2010, plus 5.36 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 35.56 ODP tonnes; and that in the event that the Parties to the Montreal Protocol agreed to change the baseline for compliance as calculated in the HPMP, the starting point for aggregate reduction in HCFC consumption would be 67.46 ODP tonnes (i.e., 62.1 ODP tonnes as the revised baseline for compliance plus 5.36 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems). Noted that the project to phase out HCFC-141b used in the manufacture of polyurethane rigid insulation foam for domestic refrigerators at Cristor had already been approved at the 62nd meeting in 2010 and had subsequently been included in stage I of the HPMP. Noted the commitment of the Government to ban the import of HCFC-141b in bulk, by 1 January 2016 once the conversion of the enterprise Cristor was completed and an alternative process for cleaning refrigeration circuits was implemented. Noted that approval of stage I of the HPMP did not preclude Algeria from submitting, prior to 2015, a proposal to achieve a reduction in HCFCs beyond that addressed in stage I of the HPMP. Noted the deduction of 2.40 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 62nd meeting, and UNIDO and the Government were requested to further deduct 12.08 ODP tonnes of HCFCs for implementation of stage I of the HPMP. The Fund Secretariat was requested, in the event that the baseline consumption for compliance is amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption. In the event that the Parties did not agree to change the baseline for compliance, stage I of the HPMP would reduce HCFC consumption by 35 per cent of the baseline by 2020 and the Agreement would be revised accordingly.</i></p>						
Total for Algeria		11.1	\$1,593,860	\$119,540	\$1,713,400	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
ANTIGUA AND BARBUDA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$45,850	\$5,961	\$51,811	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 0.3 ODP tonnes, calculated using actual consumption of 0.5 ODP tonnes and 0.1 ODP tonnes reported for 2009 and 2010, respectively. UNEP and the Government were requested to deduct 0.03 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i>						
Total for Antigua and Barbuda			\$45,850	\$5,961	\$51,811	
ARGENTINA						
FOAM						
Rigid (insulation refrigeration)						
HCFC phase-out management plan (stage I, first tranche) (phase-out of HCFC-141b in the production of polyurethane rigid insulation foam for domestic refrigerators at Mabe)	IBRD	18.5	\$838,612	\$62,896	\$901,508	5.00
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2010 to 2017 to reduce HCFC consumption by 17.5 per cent of the baseline. Noted that the project to phase out HCFC-22 in the room and unitary air conditioning equipment manufacturing sector had already been approved at the 61st meeting in 2010 and had been included in stage I of the HPMP. Noted that in agreement with the Executive Committee, the Government had revised its starting point for sustained aggregate reduction in HCFC consumption from 356.9 ODP tonnes to 377.51 ODP tonnes. Noted the deduction of 53.46 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 61st meeting and the agreement to deduct a further 30.07 ODP tonnes of HCFCs for the implementation of stage I of the HPMP. Noted that approval of stage I did not preclude Argentina from submitting, prior to 2015, a proposal to achieve phase-out of HCFCs beyond that addressed in stage I of the HPMP. Approved the reallocation of funding remaining from the CFC national phase-out plan of US \$800,000, plus agency support costs for UNIDO, as agreed by the Government in line with the implementation plan provided.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	UNIDO	7.1	\$685,388	\$51,404	\$736,792	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2010 to 2017 to reduce HCFC consumption by 17.5 per cent of the baseline. Noted that the project to phase out HCFC-22 in the room and unitary air conditioning equipment manufacturing sector had already been approved at the 61st meeting in 2010 and had been included in stage I of the HPMP. Noted that in agreement with the Executive Committee, the Government had revised its starting point for sustained aggregate reduction in HCFC consumption from 356.9 ODP tonnes to 377.51 ODP tonnes. Noted the deduction of 53.46 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 61st meeting and the agreement to deduct a further 30.07 ODP tonnes of HCFCs for the implementation of stage I of the HPMP. Noted that approval of stage I did not preclude Argentina from submitting, prior to 2015, a proposal to achieve phase-out of HCFCs beyond that addressed in stage I of the HPMP. Approved the reallocation of funding remaining from the CFC national phase-out plan of US \$800,000, plus agency support costs for UNIDO, as agreed by the Government in line with the implementation plan provided.</i>						
HCFC phase-out management plan (stage I, first tranche) (monitoring and reporting of HCFC-22 production)	IBRD		\$76,000	\$5,700	\$81,700	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2010 to 2017 to reduce HCFC consumption by 17.5 per cent of the baseline. Noted that the project to phase out HCFC-22 in the room and unitary air conditioning equipment manufacturing sector had already been approved at the 61st meeting in 2010 and had been included in stage I of the HPMP. Noted that in agreement with the Executive Committee, the Government had revised its starting point for sustained aggregate reduction in HCFC consumption from 356.9 ODP tonnes to 377.51 ODP tonnes. Noted the deduction of 53.46 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 61st meeting and the agreement to deduct a further 30.07 ODP tonnes of HCFCs for the implementation of stage I of the HPMP. Noted that approval of stage I did not preclude Argentina from submitting, prior to 2015, a proposal to achieve phase-out of HCFCs beyond that addressed in stage I of the HPMP. Approved the reallocation of funding remaining from the CFC national phase-out plan of US \$800,000, plus agency support costs for UNIDO, as agreed by the Government in line with the implementation plan provided.</i>						
Total for Argentina		25.5	\$1,600,000	\$120,000	\$1,720,000	
ARMENIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, second tranche)	UNDP		\$297,177	\$22,288	\$319,465	
<i>Noted that the Agreement was updated based on the established HCFC baseline for compliance.</i>						
Total for Armenia			\$297,177	\$22,288	\$319,465	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
BELIZE						
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase VI: 4/2012-3/2014)	UNEP		\$76,700	\$0	\$76,700	
	Total for Belize		\$76,700		\$76,700	

BOSNIA AND HERZEGOVINA

FOAM

Rigid

HCFC phase-out management plan (stage I, first tranche) (conversion to cyclopentane in the manufacture of panels at Alternativa, and conversion to methyl formate (foam) and non-HCFCs refrigerant in 6 manufacturers of commercial refrigeration equipment)	UNIDO	4.8	\$555,212	\$41,641	\$596,853	10.56
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, on the understanding that US \$280,000 were provided to address HCFC consumption in the refrigeration servicing sector to reach up to and including the 35 per cent reduction in 2020 in line with decision 60/44; and US \$673,284 were provided for the investment component and the associated technical assistance component for the phase-out of 5.76 ODP tonnes of HCFCs used in the polyurethane foam and commercial refrigeration manufacturing sectors. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 4.7 ODP tonnes, calculated using actual consumption of 5.7 ODP tonnes and 3.5 ODP tonnes reported for 2009 and 2010, respectively, plus 3.47 ODP tonnes of HCFC-141b contained in imported pre blended polyol systems, resulting in 8.17 ODP tonnes. Noted the commitment of the Government to ban imports of HCFC-141b, both pure and contained in pre-blended polyols, no later than 1 January 2016. UNIDO and the Government were requested to deduct 6.58 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (activities in the refrigeration servicing sector including policy actions)	UNIDO	0.2	\$76,070	\$5,705	\$81,775	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, on the understanding that US \$280,000 were provided to address HCFC consumption in the refrigeration servicing sector to reach up to and including the 35 per cent reduction in 2020 in line with decision 60/44; and US \$673,284 were provided for the investment component and the associated technical assistance component for the phase-out of 5.76 ODP tonnes of HCFCs used in the polyurethane foam and commercial refrigeration manufacturing sectors. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 4.7 ODP tonnes, calculated using actual consumption of 5.7 ODP tonnes and 3.5 ODP tonnes reported for 2009 and 2010, respectively, plus 3.47 ODP tonnes of HCFC-141b contained in imported pre blended polyol systems, resulting in 8.17 ODP tonnes. Noted the commitment of the Government to ban imports of HCFC-141b, both pure and contained in pre-blended polyols, no later than 1 January 2016. UNIDO and the Government were requested to deduct 6.58 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i>						
Total for Bosnia and Herzegovina		5.0	\$631,282	\$47,346	\$678,628	
BRAZIL						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VII: 1/2012-12/2013)	UNDP		\$351,000	\$26,325	\$377,325	
Total for Brazil			\$351,000	\$26,325	\$377,325	
BRUNEI DARUSSALAM						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNDP	0.2	\$52,800	\$4,752	\$57,552	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.1 ODP tonnes, calculated using actual consumption of 5.3 ODP tonnes and 6.9 ODP tonnes reported for 2009 and 2010, respectively. UNDP, UNEP and the Government were requested to deduct 2.14 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i>						

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.1 ODP tonnes, calculated using actual consumption of 5.3 ODP tonnes and 6.9 ODP tonnes reported for 2009 and 2010, respectively. UNDP, UNEP and the Government were requested to deduct 2.14 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption.</i></p>	UNEP	0.4	\$123,000	\$15,990	\$138,990	
Total for Brunei Darussalam		0.6	\$175,800	\$20,742	\$196,542	
COLOMBIA						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, second tranche)</p> <p><i>Noted that the Agreement was updated based on the established HCFC baseline for compliance; and that the revised starting point for sustained aggregate reduction in HCFC consumption was 225.6 ODP tonnes, calculated using actual consumption of 209.7 ODP tonnes and 241.5 ODP tonnes reported for 2009 and 2010, respectively.</i></p>	UNEP	1.5	\$50,000	\$6,500	\$56,500	
<p>HCFC phase-out management plan (stage I, second tranche)</p> <p><i>Noted that the Agreement was updated based on the established HCFC baseline for compliance; and that the revised starting point for sustained aggregate reduction in HCFC consumption was 225.6 ODP tonnes, calculated using actual consumption of 209.7 ODP tonnes and 241.5 ODP tonnes reported for 2009 and 2010, respectively.</i></p>	UNDP		\$550,000	\$41,250	\$591,250	
DESTRUCTION						
Demonstration						
<p>Demonstration project on end of life ODS management and destruction</p> <p><i>Approved on the understanding that no further funds would be available for Colombia for any ODS disposal projects in future.</i></p>	UNDP		\$1,195,000	\$89,625	\$1,284,625	
Total for Colombia		1.5	\$1,795,000	\$137,375	\$1,932,375	
COTE D'IVOIRE						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 63.8 ODP tonnes, calculated using actual consumption of 61.7 ODP tonnes and 65.9 ODP tonnes reported for 2009 and 2010, respectively. UNIDO, UNEP and the Government were requested to deduct 22.33 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Government was urged to ratify the Beijing amendment as soon as possible.</i></p>	UNEP		\$250,000	\$30,260	\$280,260	4.50

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 63.8 ODP tonnes, calculated using actual consumption of 61.7 ODP tonnes and 65.9 ODP tonnes reported for 2009 and 2010, respectively. UNIDO, UNEP and the Government were requested to deduct 22.33 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Government was urged to ratify the Beijing amendment as soon as possible.</i></p>	UNIDO	3.3	\$460,000	\$34,500	\$494,500	4.50
	Total for Cote D'Ivoire	3.3	\$710,000	\$64,760	\$774,760	
CROATIA						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, second and third tranches)</p> <p><i>Approved in accordance with the revised Agreement between the Government and the Executive Committee. The request for the reallocation of US \$200,000 for HCFC phase-out activities in the HPMP from the project at Pavusin, which was cancelled by mutual agreement between the Government and UNIDO at the 66th meeting, was not approved.</i></p>	UNIDO	4.3	\$360,000	\$27,000	\$387,000	
	Total for Croatia	4.3	\$360,000	\$27,000	\$387,000	
DJIBOUTI						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 0.7 ODP tonnes, calculated using actual consumption of 0.6 ODP tonnes and 0.7 ODP tonnes reported for 2009 and 2010, respectively. UNEP and the Government were requested to deduct 0.24 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Government was urged to ratify the Beijing amendment as soon as possible.</i></p>	UNEP	0.1	\$81,000	\$10,530	\$91,530	
	Total for Djibouti	0.1	\$81,000	\$10,530	\$91,530	

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
GUINEA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNIDO	1.2	\$160,000	\$12,000	\$172,000	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 22.6 ODP tonnes, calculated using actual consumption of 21.8 ODP tonnes and 23.4 ODP tonnes reported for 2009 and 2010, respectively. UNEP, UNIDO and the Government were requested to deduct 7.91 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Government was requested, during implementation of stage I of the HPMP, to give high priority to the implementation of a code of good service practice, and to strengthen the technical capacity of refrigeration service technicians in order to reduce the high leakage rate of HCFC refrigerants during service practices.</i></p>						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$85,000	\$11,050	\$96,050	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 22.6 ODP tonnes, calculated using actual consumption of 21.8 ODP tonnes and 23.4 ODP tonnes reported for 2009 and 2010, respectively. UNEP, UNIDO and the Government were requested to deduct 7.91 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Government was requested, during implementation of stage I of the HPMP, to give high priority to the implementation of a code of good service practice, and to strengthen the technical capacity of refrigeration service technicians in order to reduce the high leakage rate of HCFC refrigerants during service practices.</i></p>						
Total for Guinea		1.2	\$245,000	\$23,050	\$268,050	

List of projects and activities approved for funding

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Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	

INDIA

FOAM

Sectoral phase out plan

HCFC phase-out management plan (stage I, first tranche) (polyurethane foam sector plan)	UNDP	145.4	\$9,400,000	\$705,000	\$10,105,000	7.16
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 1,608.2 ODP tonnes, calculated using actual consumption of 1,598.7 ODP tonnes and 1,617.6 ODP tonnes reported for 2009 and 2010, respectively, plus 83.05 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 1,691.25 ODP tonnes. UNDP and the Government were requested to deduct 341.77 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Noted that no further funding would be provided from the Fund to any systems houses in India and that the Government agreed to convert all insular foam enterprises in stage I of its HPMP to cyclopentane technology. Further noted that the Government recognized and would abide by all its Montreal Protocol obligations.

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage I, first tranche) (project management component)	UNDP		\$600,000	\$45,000	\$645,000	
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 1,608.2 ODP tonnes, calculated using actual consumption of 1,598.7 ODP tonnes and 1,617.6 ODP tonnes reported for 2009 and 2010, respectively, plus 83.05 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 1,691.25 ODP tonnes. UNDP and the Government were requested to deduct 341.77 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Noted that no further funding would be provided from the Fund to any systems houses in India and that the Government agreed to convert all insular foam enterprises in stage I of its HPMP to cyclopentane technology. Further noted that the Government recognized and would abide by all its Montreal Protocol obligations.

List of projects and activities approved for funding

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Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche) (enabling activities)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 1,608.2 ODP tonnes, calculated using actual consumption of 1,598.7 ODP tonnes and 1,617.6 ODP tonnes reported for 2009 and 2010, respectively, plus 83.05 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 1,691.25 ODP tonnes. UNDP and the Government were requested to deduct 341.77 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Noted that no further funding would be provided from the Fund to any systems houses in India and that the Government agreed to convert all insular foam enterprises in stage I of its HPMP to cyclopentane technology. Further noted that the Government recognized and would abide by all its Montreal Protocol obligations.</i></p>	UNEP		\$250,000	\$30,402	\$280,402	
<p>HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 1,608.20 ODP tonnes, calculated using actual consumption of 1,598.76 ODP tonnes and 1,617.63 ODP tonnes reported for 2009 and 2010, respectively, plus 83.05 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 1,691.25 ODP tonnes. Germany, UNEP and the Government were requested to deduct 31.24 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Further noted that the Government recognized and would abide by all its Montreal Protocol obligations.</i></p>	Germany		\$925,452	\$106,440	\$1,031,892	4.50
<p>HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2015 to reduce HCFC consumption by 10 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 1,608.2 ODP tonnes, calculated using actual consumption of 1,598.7 ODP tonnes and 1,617.6 ODP tonnes reported for 2009 and 2010, respectively, plus 83.05 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 1,691.25 ODP tonnes. UNDP and the Government were requested to deduct 341.77 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Noted that no further funding would be provided from the Fund to any systems houses in India and that the Government agreed to convert all insular foam enterprises in stage I of its HPMP to cyclopentane technology. Further noted that the Government recognized and would abide by all its Montreal Protocol obligations.</i></p>	UNEP		\$180,800	\$21,986	\$202,786	4.50

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase IX: 4/2012-3/2014)	UNDP		\$373,230	\$27,992	\$401,222	
	Total for India	145.4	\$11,729,482	\$936,820	\$12,666,302	
INDONESIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (air conditioning sector plan, additional funding for heat exchangers)	UNDP		\$52,800	\$3,960	\$56,760	
	Total for Indonesia		\$52,800	\$3,960	\$56,760	
JORDAN						
REFRIGERATION						
Air conditioning						
Phase-out of HCFC-22 and HCFC-141b from the manufacture of unitary air-conditioning equipment at Petra Engineering Industries Co. (additional funding for heat exchangers)	UNIDO		\$126,500	\$9,488	\$135,988	
	Total for Jordan		\$126,500	\$9,488	\$135,988	
KENYA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	France	3.1	\$257,500	\$31,186	\$288,686	
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2017 to reduce HCFC consumption by 21.1 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 52.2 ODP tonnes, calculated using actual consumption of 54.7 ODP tonnes and 49.6 ODP tonnes reported for 2009 and 2010, respectively. France and the Government were requested to deduct 11.00 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Noted that approval of stage I of the HPMP did not preclude Kenya from submitting, prior to 2015, a proposal to achieve a reduction in HCFCs beyond that addressed in stage I of the HPMP. The Government was urged to ratify the Beijing amendment as soon as possible.</i>						
	Total for Kenya	3.1	\$257,500	\$31,186	\$288,686	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	

KUWAIT

FOAM

Rigid

HCFC phase-out management plan (stage I, first tranche) (polyurethane foam sector phase-out: Kuwait polyurethane Industry Co.; Kirby Building Systems, technical assistance to spray foam users and other small users)	UNIDO	11.0	\$284,628	\$21,347	\$305,975	4.32
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Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2018 to reduce HCFC consumption by 39.2 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 418.6 ODP tonnes, calculated using actual consumption of 398.1 ODP tonnes and 439.1 ODP tonnes reported for 2009 and 2010, respectively, plus 10.64 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 429.24 ODP tonnes. Noted that the Government had committed to limiting the amount of imports of HCFC-141b to the current level of HCFC-141b exported in pre-blended polyols of 32.49 ODP tonnes once the conversion in the polyurethane foam sector and the implementation of the activities for the servicing sector for stage I were completed, to consider further voluntary commitments by the Government for reductions in the servicing sector, if possible, in future HPMP stages and confirmed that stage II of the HPMP would address targets beyond the country's 2020 reduction obligation. UNIDO, UNEP and the Government were requested to deduct 239.15 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Approved the reallocation of funding remaining from the TPMP of US \$220,000 plus agency support costs for UNEP, and US \$28,000 plus agency support costs for UNIDO, as agreed under the TPMP, in line with the implementation plans provided.

List of projects and activities approved for funding

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Annex IX

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
Polystyrene/polyethylene						
HCFC phase-out management plan (stage I, first tranche) (extruded polystyrene foam sector phase-out: Gulf Insulating Materials Manufacturing and Trading; Isofoam Insulating Materials Plants; and Al Masaha Company)	UNIDO	49.8	\$3,042,662	\$228,200	\$3,270,862	3.73
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2018 to reduce HCFC consumption by 39.2 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 418.6 ODP tonnes, calculated using actual consumption of 398.1 ODP tonnes and 439.1 ODP tonnes reported for 2009 and 2010, respectively, plus 10.64 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 429.24 ODP tonnes. Noted that the Government had committed to limiting the amount of imports of HCFC-141b to the current level of HCFC-141b exported in pre-blended polyols of 32.49 ODP tonnes once the conversion in the polyurethane foam sector and the implementation of the activities for the servicing sector for stage I were completed, to consider further voluntary commitments by the Government for reductions in the servicing sector, if possible, in future HPMP stages and confirmed that stage II of the HPMP would address targets beyond the country's 2020 reduction obligation. UNIDO, UNEP and the Government were requested to deduct 239.15 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Approved the reallocation of funding remaining from the TPMP of US \$220,000 plus agency support costs for UNEP, and US \$28,000 plus agency support costs for UNIDO, as agreed under the TPMP, in line with the implementation plans provided.</i></p>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	UNIDO		\$210,160	\$15,762	\$225,922	4.50
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2018 to reduce HCFC consumption by 39.2 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 418.6 ODP tonnes, calculated using actual consumption of 398.1 ODP tonnes and 439.1 ODP tonnes reported for 2009 and 2010, respectively, plus 10.64 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 429.24 ODP tonnes. Noted that the Government had committed to limiting the amount of imports of HCFC-141b to the current level of HCFC-141b exported in pre-blended polyols of 32.49 ODP tonnes once the conversion in the polyurethane foam sector and the implementation of the activities for the servicing sector for stage I were completed, to consider further voluntary commitments by the Government for reductions in the servicing sector, if possible, in future HPMP stages and confirmed that stage II of the HPMP would address targets beyond the country's 2020 reduction obligation. UNIDO, UNEP and the Government were requested to deduct 239.15 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Approved the reallocation of funding remaining from the TPMP of US \$220,000 plus agency support costs for UNEP, and US \$28,000 plus agency support costs for UNIDO, as agreed under the TPMP, in line with the implementation plans provided.</i></p>						
HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector and monitoring and verification)	UNEP		\$277,000	\$33,126	\$310,126	4.50
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2018 to reduce HCFC consumption by 39.2 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 418.6 ODP tonnes, calculated using actual consumption of 398.1 ODP tonnes and 439.1 ODP tonnes reported for 2009 and 2010, respectively, plus 10.64 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 429.24 ODP tonnes. Noted that the Government had committed to limiting the amount of imports of HCFC-141b to the current level of HCFC-141b exported in pre-blended polyols of 32.49 ODP tonnes once the conversion in the polyurethane foam sector and the implementation of the activities for the servicing sector for stage I were completed, to consider further voluntary commitments by the Government for reductions in the servicing sector, if possible, in future HPMP stages and confirmed that stage II of the HPMP would address targets beyond the country's 2020 reduction obligation. UNIDO, UNEP and the Government were requested to deduct 239.15 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Approved the reallocation of funding remaining from the TPMP of US \$220,000 plus agency support costs for UNEP, and US \$28,000 plus agency support costs for UNIDO, as agreed under the TPMP, in line with the implementation plans provided.</i></p>						
Total for Kuwait		60.8	\$3,814,450	\$298,435	\$4,112,885	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
MALAWI						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VIII: 4/2012-3/2014)	UNEP		\$66,733	\$0	\$66,733	
	Total for Malawi		\$66,733		\$66,733	
MEXICO						
FUMIGANT						
Methyl bromide						
National methyl bromide phase-out plan (third tranche)	Spain		\$800,000	\$93,000	\$893,000	
National methyl bromide phase-out plan (third tranche)	UNIDO		\$1,200,000	\$90,000	\$1,290,000	
	Total for Mexico		\$2,000,000	\$183,000	\$2,183,000	
MOZAMBIQUE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche)	UNEP		\$40,000	\$5,200	\$45,200	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.5 ODP tonnes, calculated using the consumption of 4.3 ODP tonnes and 8.7 ODP tonnes reported for 2009 and 2010, respectively. UNEP, UNIDO and the Government were requested to deduct 2.27 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Fund Secretariat was requested, in the event that the baseline consumption for compliance for Mozambique is amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the figures for maximum allowable consumption, and to notify the Executive Committee of the resulting change in the levels of maximum allowable consumption and of any potential related impact on the eligible funding level, with any adjustments needed being made when the next tranche</i></p>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2010 to 2020 to reduce HCFC consumption by the 35 per cent of the based line. Noted that stage I of the HPMP had been approved in principle at the 62nd meeting. Reiterated that the Government had agreed at the 62nd meeting to establish as its starting point for sustained aggregate reduction in HCFC consumption the official consumption ceiling set by the country of 1.27 ODP tonnes, and not based on 2009 or 2010 estimated consumption. UNEP, UNDP, and the Government were requested to deduct 0.64 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. Approved on the condition that disbursements of the first tranche would only be made after official confirmation that the country had submitted its instrument of ratification of the Copenhagen Amendment to the Montreal Protocol to the United Nations Treaty Depository Office in New York had been received by the Multilateral Fund Secretariat.</i></p>	UNEP	0.2	\$63,000	\$8,190	\$71,190	
Total for Nepal		0.3	\$105,000	\$11,970	\$116,970	

NICARAGUA

PHASE-OUT PLAN

HCFC phase out plan

<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, on the understanding that US \$315,000 were provided to address HCFC consumption in the refrigeration servicing sector to reach up to and include the 35 per cent reduction in 2020 in line with decision 60/44; and US \$15,000 were provided for the technical assistance component for the phase-out of 0.31 ODP tonnes of HCFCs used in the foam manufacturing sector. Noted that the Government of Nicaragua had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.8 ODP tonnes, calculated using actual consumption of 6.0 ODP tonnes and 7.5 ODP tonnes reported for 2009 and 2010, plus 0.31 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 7.11 ODP tonnes. Noted the commitment of the Government to ban imports of HCFC-141b, both pure and contained in pre-blended polyols, no later than 1 January 2017. UNEP, UNIDO and the Government were requested to deduct 2.69 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Government was urged to ratify the Beijing amendment as soon as possible.</i></p>	UNEP	0.2	\$38,000	\$4,940	\$42,940	
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List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline, on the understanding that US \$315,000 were provided to address HCFC consumption in the refrigeration servicing sector to reach up to and include the 35 per cent reduction in 2020 in line with decision 60/44; and US \$15,000 were provided for the technical assistance component for the phase-out of 0.31 ODP tonnes of HCFCs used in the foam manufacturing sector. Noted that the Government of Nicaragua had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the baseline of 6.8 ODP tonnes, calculated using actual consumption of 6.0 ODP tonnes and 7.5 ODP tonnes reported for 2009 and 2010, plus 0.31 ODP tonnes of HCFC-141b contained in imported pre-blended polyol systems, resulting in 7.11 ODP tonnes. Noted the commitment of the Government to ban imports of HCFC-141b, both pure and contained in pre-blended polyols, no later than 1 January 2017. UNEP, UNIDO and the Government were requested to deduct 2.69 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Government was urged to ratify the Beijing amendment as soon as possible.</i></p>	UNIDO	0.5	\$96,500	\$8,685	\$105,185	
SEVERAL						
Ozone unit support						
Renewal of institutional strengthening project (phase VI: 4/2012-3/2014)	UNEP		\$60,000	\$0	\$60,000	
	Total for Nicaragua	0.7	\$194,500	\$13,625	\$208,125	
NIGER						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption an estimated baseline of 16.0 ODP tonnes, calculated using actual consumption of 16.0 ODP tonnes reported for 2009 under the HPMP and 16.0 ODP tonnes reported for 2010 under Article 7 of the Montreal Protocol. UNEP, UNIDO and the Government were requested to deduct 5.60 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Fund Secretariat was requested, in the event that the baseline consumption for Niger is amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the revised figures for the baseline once approved by the Parties to the Montreal Protocol.</i></p>	UNEP	1.0	\$100,000	\$13,000	\$113,000	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, first tranche)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2012 to 2020 to reduce HCFC consumption by 35 per cent of the baseline. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption an estimated baseline of 16.0 ODP tonnes, calculated using actual consumption of 16.0 ODP tonnes reported for 2009 under the HPMP and 16.0 ODP tonnes reported for 2010 under Article 7 of the Montreal Protocol. UNEP, UNIDO and the Government were requested to deduct 5.60 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption. The Fund Secretariat was requested, in the event that the baseline consumption for Niger is amended based on revised Article 7 data, to update Appendix 2-A to the Agreement to include the revised figures for the baseline once approved by the Parties to the Montreal Protocol.</i></p>	UNIDO	1.7	\$175,000	\$13,125	\$188,125	
	Total for Niger	2.7	\$275,000	\$26,125	\$301,125	
NIGERIA						
PHASE-OUT PLAN						
HCFC phase out plan						
<p>HCFC phase-out management plan (stage I, second tranche) (refrigeration air-conditioning manufacturing and coordination)</p> <p><i>Noted that the Agreement was updated based on the established HCFC baseline for compliance; and that the revised starting point for sustained aggregate reduction in HCFC consumption was 398.2 ODP tonnes, calculated using actual consumption of 370.0 ODP tonnes and 426.4 ODP tonnes reported for 2009 and 2010, respectively.</i></p>	UNIDO		\$550,000	\$41,250	\$591,250	
<p>HCFC phase-out management plan (stage I, second tranche) (foam, refrigeration air-conditioning servicing and coordination)</p> <p><i>Noted that the Agreement was updated based on the established HCFC baseline for compliance; and that the revised starting point for sustained aggregate reduction in HCFC consumption was 398.2 ODP tonnes, calculated using actual consumption of 370.0 ODP tonnes and 426.4 ODP tonnes reported for 2009 and 2010, respectively.</i></p>	UNDP		\$836,515	\$62,739	\$899,254	
	Total for Nigeria		\$1,386,515	\$103,989	\$1,490,504	
PARAGUAY						
SEVERAL						
Ozone unit support						
<p>Extension of institutional strengthening project (phase VI: 7/2012-6/2014)</p>	UNEP		\$60,000	\$0	\$60,000	
	Total for Paraguay		\$60,000		\$60,000	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
SAINT VINCENT AND THE GRENADINES						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V: 4/2012-3/2014)	UNEP		\$60,000	\$0	\$60,000	
Total for Saint Vincent and the Grenadines			\$60,000		\$60,000	
SUDAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	UNIDO		\$250,000	\$18,750	\$268,750	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2010 to 2017 to reduce HCFC consumption by 30 per cent of the baseline. Noted that the project to phase out HCFC-141b used for polyurethane rigid foam production in the manufacture of domestic refrigerators, commercial refrigerators and polyurethane insulated composite panels by four enterprises had already been approved at the 62nd meeting in 2010 and had been included in stage I of the HPMP. Noted that the Government had agreed to establish as its starting point for sustained aggregate reduction in HCFC consumption the consumption of 50.6 ODP tonnes reported for 2009 under Article 7 of the Montreal Protocol, which were the latest data available when the HCFC phase-out umbrella project had been approved at the 62nd meeting. Noted the deduction of 11.87 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the project approved at the 62nd meeting, and UNIDO and the Government were requested to further deduct 4.28 ODP tonnes of HCFCs for implementation of stage I of the HPMP. Noted that approval of stage I of the HPMP did not preclude Sudan from submitting, prior to 2015, a proposal to achieve a reduction in HCFCs consumption beyond that addressed in stage I of the HPMP.</i></p>						
Total for Sudan			\$250,000	\$18,750	\$268,750	
TANZANIA						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase V: 4/2012-3/2014)	UNEP		\$60,000	\$0	\$60,000	
Total for Tanzania			\$60,000		\$60,000	
TUNISIA						
SEVERAL						
Ozone unit support						
Extension of institutional strengthening project (phase VII: 7/2012-6/2014)	UNIDO		\$247,270	\$18,545	\$265,815	
Total for Tunisia			\$247,270	\$18,545	\$265,815	

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Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
TURKEY						
DESTRUCTION						
Demonstration						
Demonstration project for disposal of unwanted ODS <i>Approved on the understanding that no further funds would be available for Turkey for any ODS disposal projects in future; any marketing of greenhouse gas (GHG) emission reductions generated by or associated with the project would be subject to a decision by the Executive Committee. A monitoring system will be established for the operation and the activities associated with the ODS disposal demonstration project and to report thereon to the Executive Committee at the completion of the project in 2014, ensuring that no marketing of GHG emission reductions had taken place.</i>	UNIDO		\$1,076,250	\$80,719	\$1,156,969	
Total for Turkey			\$1,076,250	\$80,719	\$1,156,969	
ZIMBABWE						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, balance of the first tranche)	Germany	5.4	\$419,417	\$50,096	\$469,513	
Total for Zimbabwe			5.4	\$419,417	\$50,096	\$469,513
GLOBAL						
SEVERAL						
Technical assistance/support						
Development of a guide for sustainable refrigerated facilities and systems, in cooperation with the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE) <i>Noted that the amount of funding approved, together with the co-funding to be provided by ASHRAE and others, would cover translation of the Guide into the other official languages of the UN. UNEP and ASHRAE were urged to complete the Guide by the 71st meeting.</i>	UNEP		\$200,000	\$26,000	\$226,000	
Total for Global			\$200,000	\$26,000	\$226,000	
GRAND TOTAL		271.2	\$30,628,286	\$2,449,575	\$33,077,861	

Summary

UNEP/OzL.Pro/ExCom/66/54
Annex IX

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
BILATERAL COOPERATION				
Fumigant		\$800,000	\$93,000	\$893,000
Phase-out plan	8.5	\$1,602,369	\$187,722	\$1,790,091
TOTAL:	8.5	\$2,402,369	\$280,722	\$2,683,091
INVESTMENT PROJECT				
Foam	229.4	\$14,121,114	\$1,059,084	\$15,180,198
Fumigant		\$1,200,000	\$90,000	\$1,290,000
Refrigeration	8.3	\$1,505,960	\$112,948	\$1,618,908
Phase-out plan	25.0	\$7,403,460	\$637,615	\$8,041,075
Destruction		\$2,271,250	\$170,344	\$2,441,594
TOTAL:	262.6	\$26,501,784	\$2,069,991	\$28,571,775
WORK PROGRAMME AMENDMENT				
Several		\$1,724,133	\$98,862	\$1,822,995
TOTAL:		\$1,724,133	\$98,862	\$1,822,995
Summary by Parties and Implementing Agencies				
France	3.1	\$257,500	\$31,186	\$288,686
Germany	5.4	\$1,344,869	\$156,536	\$1,501,405
Spain		\$800,000	\$93,000	\$893,000
IBRD	18.5	\$914,612	\$68,596	\$983,208
UNDP	145.7	\$13,750,522	\$1,032,711	\$14,783,233
UNEP	3.4	\$2,336,283	\$223,135	\$2,559,418
UNIDO	95.1	\$11,224,500	\$844,411	\$12,068,911
GRAND TOTAL	271.2	\$30,628,286	\$2,449,575	\$33,077,861

ADJUSTMENTS ARISING FROM THE 66TH MEETING OF THE EXECUTIVE COMMITTEE FOR BALANCES ON PROJECTS AND ACTIVITIES

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
Italy (per decision 66/2(a)(viii))*	338	44	382
Japan (per decision 66/2(a)(viii))*	60,900	17,050	77,950
UNDP (per decision 66/2(a)(ii)&(iii))	676,933	73,257	750,190
UNEP (per decision 66/2(a)(ii)&(iii))	52,098	6,773	58,871
UNIDO (per decision 66/2(a)(ii)&(iii))	130,094	13,866	143,960
World Bank (per decision 66/2(a)(ii)&(iii))	1,913,949	161,340	2,075,289
Total	2,834,312	272,330	3,106,642

*Cash transfer

ADJUSTMENTS ARISING FROM THE 66TH MEETING OF THE EXECUTIVE COMMITTEE FOR TRANSFERRED PROJECTS

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
UNEP (per decision 66/2(a)(iv))	1,835,205	154,294	1,989,499

NET ALLOCATIONS TO IMPLEMENTING AGENCIES AND BILATERAL CONTRIBUTIONS BASED ON DECISIONS OF THE 66TH MEETING OF THE EXECUTIVE COMMITTEE

Agency	Project Costs (US\$)	Support Costs (US\$)	Total (US\$)
France(1)	257,500	31,186	288,686
Germany(1)	1,344,869	156,536	1,501,405
Spain(1)	800,000	93,000	893,000
UNDP	13,073,589	959,454	14,033,043
UNEP	4,119,390	370,656	4,490,046
UNIDO	11,094,406	830,545	11,924,951
World Bank (2)	0	0	0
Total	30,689,754	2,441,377	33,131,131

(1) Total amount to be assigned to 2012 bilateral contributions.

(2) The amount of US \$1,092,081 for the World Bank shall be deducted from the the World Bank's net approval at the next meeting.

Annex X

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWALS OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 66th MEETING

Albania

1. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Albania and noted with appreciation that the country reported 2010 Article 7 data to the Ozone Secretariat and 2010 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged with appreciation that Albania attained zero CFC consumption target in 2010 under the Montreal Protocol. The Executive Committee also noted that the HCFC phase-out management plan (HPMP) had been approved and implementation had already started. The Executive Committee is therefore confident that Albania will sustain the phase-out of CFCs and initiate activities both at the project and policy levels to enable the country to meet Montreal Protocol targets to freeze the consumption of HCFCs by 2013.

Belize

2. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Belize and noted with appreciation that the country reported 2010 Article 7 data to the Ozone Secretariat and 2010 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged with appreciation that Belize has attained the zero CFC consumption target in 2010 under the Montreal Protocol. The Executive Committee also noted that the HPMP had been approved and implementation had already started. The Executive Committee is therefore confident that Belize will continue to sustain the phase-out of CFCs and initiate activities both at the project and policy levels to enable the country to meet the Montreal Protocol targets to freeze the consumption of HCFCs by 2013.

Brazil

3. The Executive Committee reviewed the terminal report presented along with the institutional strengthening (IS) project renewal request for Brazil and noted with appreciation the achievements made by Brazil's National Ozone Unit (NOU) during the implementation of the sixth phase of its institutional strengthening project. The Executive Committee congratulated the Government of Brazil for these achievements noting in particular the work done for the HPMP preparation and the structure put in place for the HCFC phase-out plan. The Executive Committee also noted that Brazil has a well established and reliable ODS licensing system and that the Country is in compliance with the reporting and consumption obligations under the Montreal Protocol. The Executive Committee expressed its expectations that, in the next two years, Brazil will continue to implement its planned activities particularly its HPMP with outstanding progress.

India

4. The Executive Committee reviewed the report presented with the institutional strengthening renewal request for India and noted with appreciation that India has successfully achieved and sustained complete phase-out of CFCs, CTC and halons. The Executive Committee also noted with appreciation that India has almost completely transitioned to non-CFC metered-dose inhaler (MDIs) manufacturing, resulting in its withdrawal of essential use nominations (EUN) for CFCs for MDIs for 2011. It further noted that India completed its HPMP preparation in close consultation with the industry. The Committee expressed its expectation that India will continue close monitoring and control of production,

consumption, imports and exports of ODS, particularly HCFCs, to ensure compliance with the 2013 and 2015 control targets for HCFCs.

Malawi

5. The Executive Committee reviewed the information presented with the institutional strengthening renewal request for Malawi and noted with appreciation the fact that Malawi reported 2010 data to the Ozone Secretariat and is compliant with the CFC phase-out. The Executive Committee further noted that Malawi has taken some significant steps to phase out its consumption of ODS in the period covered for its institutional strengthening project specifically by taking important initiatives, namely the implementation of ODS imports controls through a licensing and quota system, training of customs officers and refrigeration technicians. The Executive Committee expressed the expectation that, in the next two years, Malawi will continue the implementation of the licensing and quota system, phase-out of HCFCs, and sustain and build upon its current levels of reductions in ODS and subsequently achieve HCFC phase-out and sustain zero CFC consumption.

Namibia

6. The Executive Committee reviewed the information presented with the institutional strengthening renewal request for Namibia and noted with appreciation the fact that Namibia reported 2010 data to the Ozone Secretariat and is compliant with the CFC phase-out. The Executive Committee further noted that Namibia has taken some significant steps to phase out its consumption of ODS in the period covered for its IS project, specifically important initiatives, such as the implementation of ODS imports controls through a licensing and quota system, training of customs officers and refrigeration technicians. The Executive Committee greatly appreciated the efforts of Namibia to reduce the consumption of ODS. The Executive Committee expressed the expectation that, in the next two years, Namibia will continue the implementation of its licensing and quota system, especially for HCFCs, and sustain and build upon its current levels of reductions in ODS to subsequently achieve HCFC phase-out and sustain zero CFC consumption.

Nicaragua

7. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Nicaragua and noted with appreciation that the country reported 2010 Article 7 data to the Ozone Secretariat and 2010 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged with appreciation that Nicaragua attained zero CFC consumption target in 2010 under the Montreal Protocol. The Executive Committee also noted that Nicaragua had completed its HPMP preparation and looked forward to its successful implementation. The Executive Committee is therefore confident that Nicaragua will sustain the phase-out of CFCs and initiate activities both at the project and policy levels to enable the country to meet Montreal Protocol targets to freeze the consumption of HCFCs by 2013.

Paraguay

8. The Executive Committee reviewed the report submitted with the institutional strengthening project for Paraguay and noted with appreciation that the country reported 2010 Article 7 data to the Ozone Secretariat and 2010 country programme implementation data to the Multilateral Fund Secretariat. The Executive Committee acknowledged with appreciation that Paraguay had attained zero CFC consumption target in 2010 under the Montreal Protocol. The Executive Committee also noted that the HPMP had been approved and implementation has already started. The Executive Committee is therefore confident that Paraguay will sustain the phase-out of CFCs and initiate activities both at the project and

policy levels to enable the country to meet Montreal Protocol targets to freeze the consumption of HCFCs by 2013.

Saint Vincent and the Grenadines

9. The Executive Committee reviewed the report submitted with the institutional strengthening project renewal request for Saint Vincent and the Grenadines and noted with appreciation that the country had reported 2011 Article 7 data to the Ozone Secretariat. The Executive Committee acknowledged with appreciation that Saint Vincent and the Grenadines had attained zero CFC consumption target well in advance of the Montreal Protocol target of 1 January 2010. The Executive Committee also noted that HPMP had been approved and implementation had already started. The Executive Committee is therefore confident that Saint Vincent and the Grenadines will further sustain zero consumption of CFCs and initiate activities both at the project and policy levels to enable the country to meet accelerated targets (total phase-out) set by the HPMP, namely attain the freeze of the consumption of HCFCs by 2012, and reach 10 per cent reduction by 2013.

The United Republic of Tanzania

10. The Executive Committee reviewed the information presented with the institutional strengthening renewal request for the United Republic of Tanzania and noted with appreciation the fact that Tanzania reported 2010 data to the Ozone Secretariat and is compliant with the CFC reduction, and other ODS. The Executive Committee further noted that the United Republic of Tanzania has taken some significant steps to phase out its consumption of ODS in the period covered for its institutional strengthening project, namely the implementation of ODS import controls through a licensing and quota system, training of customs officers and refrigeration technicians. The Executive Committee expressed the expectation that the United Republic of Tanzania will continue the implementation of the licensing and quota system, submit its HPMP, and sustain zero CFC consumption and achieve subsequent HCFC phase-out targets.

Tunisia

11. The Executive Committee reviewed the report presented with the institutional strengthening project renewal request for Tunisia and noted with appreciation the country's phase-out achievements that are seen in its track record of compliance with Montreal Protocol phase-out obligations, in particular Annex A substances. The Executive Committee encouraged the Government of Tunisia to continue on this successful path by not only continued revision and enforcement of import control measures, including the extension of the quota system to HCFCs, but by facilitating support to its ODS-consuming sectors. In this regard, the Executive Committee expressed the expectation that Tunisia will advance the implementation of its National ODS Phase-out Plan while building upon its successes and lessons learned for implementing Tunisia's HCFC phase-out efforts.

Annex XI

REVISED AGREEMENT BETWEEN THE GOVERNMENT OF ARMENIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Armenia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) prior to 1 January 2015 in compliance with Montreal Protocol schedules to a sustained level of 6.30 ODP tonnes representing the maximum consumption allowed for 2015 under the Montreal Protocol reduction schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A . The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) as the final reduction step under this agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
 - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on Implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. The revised Agreement supersedes the Agreement reached between the Government of Armenia and the Executive Committee at the 62nd meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	7.00
HCFC-141b pre-blended in imported polyols	C	I	0.83
Total			7.83

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011	2012	2013	2014	2015	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	7.00	7.00	6.30	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	7.00	7.00	6.30	n/a	
2.1	Lead IA UNDP agreed funding (US \$)	265,661	297,177	0	0	31,515	0	594,353	
2.2	Support costs for Lead IA(US \$) 7.5%	19,925	22,288	0	0	2,364	0	44,577	
2.3	Cooperating IA UNEP agreed funding(US \$)	31,515	0	0	0	7,485	0	39,000	
2.4	Support costs for Cooperating IA(US \$) 13%	4,097	0	0	0	973	0	5,070	
3.1	Total agreed funding (US \$)	297,176	297,177	0	0	39,000	0	633,353	
3.2	Total support cost (US \$)	24,022	22,288	0	0	3,337	0	49,647	
3.3	Total agreed costs (US \$)	321,198	319,465	0	0	42,337	0	683,000	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)								1.40
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								5.60
4.2.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this agreement (ODP tonnes)								0.83
4.2.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)								0
4.2.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)								0

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the last meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
 - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;
 - (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and lead implementing agency; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the National Ozone Unit (NOU).
2. The Lead IA will have a prominent role in liaising with the NOU, the monitoring arrangements because of its mandate to monitor ODS imports, the records of which will be used as a crosschecking reference in all the monitoring programmes for the different projects within the HPMP. The Lead IA, along with the cooperating IA will also liaise with the NOU the monitoring of illegal ODS imports and exports with advisements made to the appropriate national agencies.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee reserves the right for independent verification in case the Executive Committee selects Armenia for related auditing. Based on discussion with Armenia, the Lead IA should select the independent organization (auditing) to carry out the verification of the HPMP results and this independent monitoring programme.
4. The monitoring reports will be produced and verified each year, previous to the third meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities can be specified in the respective project document further, but include at least the following:

- (a) Providing policy development assistance when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$2,500 per metric tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

APPENDIX 8-A: SECTOR SPECIFIC ARRANGEMENTS

None.

Annex XII

REVISED AGREEMENT BETWEEN THE GOVERNMENT OF COLOMBIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Colombia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) prior to 1 January 2015 in compliance with Montreal Protocol schedules to a sustained level of 203.04 ODP tonnes representing the maximum consumption allowed for 2015 under the Montreal Protocol reduction schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A . The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) as the final reduction step under this agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
 - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on Implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be cooperating implementing agency/agencies (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. The revised Agreement supersedes the Agreement reached between the Government of Colombia and the Executive Committee at the 62nd meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	71.1
HCFC-141b	C	I	151.7
HCFC-123	C	I	0.5
HCFC-142b	C	I	2.2
HCFC-124*	C	I	0.0
Total			225.6

*2009-2010 average consumption of 0.04 ODP tonnes

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011	2012	2013	2014	2015	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	225.60	225.60	203.04	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	225.60	225.60	203.04	n/a	
2.1	Lead IA (UNDP) agreed funding(US \$)	6,021,483*	0	550,000	0	150,000	0	6,721,483	
2.2	Support costs for Lead IA(US \$)	451,611*	0	41,250	0	11,250	0	504,111	
2.3	Cooperating IA (UNEP) agreed funding (US \$)	50,000	0	50,000	0	0	0	100,000	
2.4	Support costs for Cooperating IA (US \$)	6,500	0	6,500	0	0	0	13,000	
3.1	Total agreed funding (US \$)	6,071,483	0	600,000	0	150,000	0	6,821,483	
3.2	Total support cost (US \$)	458,111	0	47,750	0	11,250	0	517,111	
3.3	Total agreed costs (US \$)	6,529,594	0	647,750	0	161,250	0	7,338,594	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)								15.17
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								9.82
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								46.11
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)								7.72
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								46.20
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								97.78
4.3.1	Total phase-out of HCFC-123 agreed to be achieved under this agreement (ODP tonnes)								0
4.3.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)								0
4.3.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								2.20
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)								0
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)								0
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.5
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this agreement (ODP tonnes)								0
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)								0
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0.04

* US \$5,621,483 and agency support costs of US \$421,611 for UNDP was approved at the 60th Meeting for the phase-out of HCFCs used in the production of polyurethane rigid insulation foam in the domestic refrigerator subsector.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
 - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided

for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and lead implementing agency; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Ministry of Environment, Housing and Territorial Development (MAVDT – Ministerio de Ambiente Vivienda y Desarrollo Territorial) is the entity responsible for co-ordinating and managing all the Montreal Protocol programmes, projects and activities, supported by the National Ozone Unit (UTO--Unidad Tecnica de Ozono), which currently is part of this Ministry's Directorate of Sustainable Sectorial Development.

2. The UTO will maintain the control and administrative management of the entire HPMP Phase I, as well as the monitoring of the projects implemented jointly with other participating entities. The regional environmental authorities, called Regional Environmental Corporations (CARs) are fundamental implementing partners, who will work in co-ordination with the regional level UTO consultants.

3. Among the participating entities are the customs office (DIAN), the Ministries of Commerce, Social Protection and Foreign Relations, industrial and merchants' associations (ANDI, Fenalco, Acaire), businesses using HCFCs and representatives of civil society.

4. All the monitoring activities within the HPMP Phase I will be co-ordinated and managed through its Component 5: "Implementation and Monitoring Programme".

5. The DIAN will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a cross-checking reference in all the monitoring programmes for the different projects within the HPMP. This organization will also undertake the challenging task of monitoring and controlling illegal ODS imports into the country.

6. The certification organizations that operate in the country at the moment (Icontec and the Superintendence of Industry and Commerce) will also have a major participation in the design and implementation of monitoring activities.

7. The monitoring programme will be based on three axis: well-designed forms for data collection, evaluation and reporting; regular programme of monitoring visits; and appropriate cross-checking of information from different sources.

Verification and reporting

8. The outcome of the different elements of the HPMP will be verified independently by an external organization. The Government and the independent organization will jointly design the verification procedures as part of the design phase of the monitoring programme.

Institution for conducting the verification

9. The Government of Colombia wishes to designate UNDP as the independent organization to carry out the verification of the HPMP results and the monitoring programme.

Frequency of verification and reporting

10. The monitoring reports will be produced each year, previous to the first meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;

- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities can be specified in the respective project document further, but include at least the following:

- (a) Providing policy development assistance when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$2,500 per metric tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

APPENDIX 8-A: SECTOR SPECIFIC ARRANGEMENTS

1. None.

Annex XIII

REVISED AGREEMENT BETWEEN THE GOVERNMENT OF CROATIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Croatia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (the “Substances”) to a sustained level of zero ODP tonnes from 1 January 2014, 26 years ahead of the Montreal Protocol phase-out schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (the “Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this agreement for all ODS specified in Appendix 1-A, and in respect to any consumption of each of the substances which exceeds the level defined in rows 4.1.3 and 4.2.3.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).
4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification to be commissioned by the relevant implementing agency (IA) of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved when an obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
 - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country has substantially completed all actions set out in the previous tranche implementation plan and submitted a tranche implementation report in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) for each previous calendar year; and

- (d) That the Country has submitted and received endorsement from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) for each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on that monitoring in accordance with the roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. While the Funding was determined on the basis of estimates of the needs of the Country to carry out its obligations under this Agreement, the Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the goals prescribed under this Agreement. Reallocations categorized as major changes must be documented in advance in the next tranche implementation plan and endorsed by the Executive Committee as described in sub-paragraph 5(d). Reallocations not categorized as major changes may be incorporated in the approved tranche implementation plan, under implementation at the time, and reported to the Executive Committee in the tranche implementation report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular that the:

- (a) Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) Country and the implementing agencies will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Italy has agreed to be cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by being responsible for carrying out the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised funding approval schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The funding components of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the plan and its subsequent revisions as per sub-paragraph 5(d), the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. The revised Agreement supersedes the Agreement reached between the Government of Croatia and the Executive Committee at the 61st meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	4.3
HCFC-141b	C	I	3.1
HCFC-142b	C	I	0.1
Total			7.5

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2009	2010	2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	n/a	4.00	4.00	3.60	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	6.60	6.60	6.60	6.60	4.00	0.00	0.00	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	271,150*	180,000	0	360,000	60,000	0	0	871,150
2.2	Support costs for Lead IA (US \$)	20,336*	13,500	0	27,000	4,500	0	0	65,336
2.3	Cooperating IA (Italy) agreed funding (US \$)	0	210,000**	0	0	0	0	0	210,000
2.4	Support costs for Cooperating IA (US \$)	0	27,300**	0	0	0	0	0	27,300
3.1	Total agreed funding (US \$)	271,150	390,000	0	360,000	60,000	0	0	1,081,150
3.2	Total support cost	20,336	40,800	0	27,000	4,500	0	0	92,636
3.3	Total agreed costs (US \$)	291,486	430,800	0	387,000	64,500	0	0	1,173,786
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)								4.3
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)								0.00
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								3.7
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.00
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)								0.1
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)								0.0
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.0

(*) Funded at the 59th meeting of the Executive Committee.

(**) Funded at the 60th meeting of the Executive Committee.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORT AND PLAN

2. The submission of the Tranche Implementation Report and Plan will consist of five parts:

- (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included

in the plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the year specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted online into a database, as per the relevant decisions of the Executive Committee in respect to the format required. This quantitative information, to be submitted by calendar year, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and agency; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The NOU will appoint a national institution to monitor all activities of the HPMP. This institute will submit annual progress reports of status of implementation of the HPMP through the NOU to UNIDO.

2. Verification of the achievement of the performance targets, specified in the Plan, will be undertaken, upon specific request of the Executive Committee, by an independent local company or independent local consultants contracted by UNIDO.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities to be specified in the project document as follows:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the tranche Implementation Plan and subsequent report as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future tranche implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee; this responsibility includes the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews undertaken by the Lead IA;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will:
 - (a) Assist the Country in the implementation and assessment of the activities funded for by the Cooperating IA (Phase-out of HCFC-141b at Poli-Mix company), and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
 - (b) Provide reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$50,000 per ODP tonne of reductions in consumption not achieved in the year.

Annex XIV

REVISED AGREEMENT BETWEEN THE GOVERNMENT OF NIGERIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Nigeria (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) prior to 1 January 2015 in compliance with Montreal Protocol schedules to a sustained level of 358.38 ODP tonnes representing the maximum consumption allowed for 2015 under the Montreal Protocol reduction schedule.

2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The consumption figures contained in Appendix 2-A rows 1.1 and 1.2 are preliminary at the time when this meeting is concluded, since the baseline consumption is not known at that time. The Agreement is concluded on the understanding that these figures are to be revised one single time to reflect the actual baseline, once the baseline consumption for compliance would be established based on Article 7 data. Any reference in this Agreement to rows 1.1 and 1.2 of Appendix 2-A is referring to the revised figures if no other specific reference is made. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (maximum allowable total consumption of Annex C, Group I substances) as the final reduction step under this agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (the “Targets and Funding”) to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (the “Funding Approval Schedule”).

4. The Country will meet the consumption limits for each of the Substances as indicated in Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of these consumption limits as described in sub-paragraph 5(b) of this Agreement.

5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:

- (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
- (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (the “Format of Tranche Implementation Report and Plan”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (the “Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (the “Monitoring Institutions and Roles”) will monitor and report on Implementation of the activities in the previous tranche implementation plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes, which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the IA taking part in this Agreement.

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the

activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have entered into a formal agreement regarding planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

16. The revised Agreement supersedes the Agreement reached between the Government of Nigeria and the Executive Committee at the 62nd meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	248.5
HCFC-141b	C	I	149.6
Total			398.2

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	398.20	398.20	358.38	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	398.20	398.20	358.38	n/a
2.1	Lead IA UNDP agreed funding (US \$)	855,603	836,515	503,829	503,829	299,974	0	2,999,750
2.2	Support costs for Lead IA (US \$)	64,170	62,739	37,787	37,787	22,498	0	224,981
2.3	Cooperating IA UNIDO agreed funding (US \$)	550,000	550,000	645,172	0	193,908	0	1,939,080
2.4	Support costs for Cooperating IA (US \$)	41,250	41,250	48,388	0	14,543	0	145,431
3.1	Total agreed funding (US \$)	1,405,603	1,386,515	1,149,001	503,829	493,882	0	4,938,830
3.2	Total support cost (US \$)	105,420	103,989	86,175	37,787	37,041	0	370,412
3.3	Total agreed costs (US \$)	1,511,023	1,490,504	1,235,176	541,616	530,923	0	5,309,242
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)							10.6
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)							0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							237.9
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)							79.5
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)							0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							70.1

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the last meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
 - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided

for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
- (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the country and lead implementing agency; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the National Ozone Office (NOO).
2. The Lead IA will liaise with the NOO all monitoring arrangements because of its mandate to monitor ODS imports, the records of which will be used as a crosschecking reference in all the monitoring programmes for the different projects within the HPMP. The Lead Agency will also liaise with the NOO to monitor illegal ODS imports and exports with advisements made to the appropriate national agencies.

Verification and reporting

3. In accordance to decision 45/54 (d), the Executive Committee requires an independent verification report to be produced annually at the time of submission of the yearly request for a new funding-tranche. The Lead IA should select the independent organization (auditing) to carry out the verification of the HPMP results and this independent verification.

4. The verification reports will be produced each year, previous to the third meeting of the Executive Committee. These reports will produce the input for the yearly implementation reports required by the Executive Committee.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's phase-out plan;
- (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the co-ordinating implementing agencies, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and

the consumption of the substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities can be specified in the respective project document further, but include at least the following:

- (a) Providing policy development assistance when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$9,500 per metric tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

APPENDIX 8-A: SECTOR SPECIFIC ARRANGEMENTS

1. All sector activities to be undertaken form part of this HPMP agreement and will not be submitted as separate sector plans. There are therefore no specific arrangements to mention in the case of Nigeria.

Annex XV

AGREEMENT BETWEEN THE GOVERNMENT OF ANTIGUA AND BARBUDA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Antigua and Barbuda (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0.27 ODP tonnes by 1 January 2015 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A ("Monitoring Institutions and Roles") will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.3

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	0.30	0.30	0.27	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	0.30	0.30	0.27	n/a
2.1	Lead IA(UNEP) agreed funding (US \$)	45,850	0	0	5,850	51,700
2.2	Support costs for Lead IA (US \$)	5,961	0	0	760	6,721
3.1	Total agreed funding (US \$)	45,850	0	0	5,850	51,700
3.2	Total support cost (US \$)	5,961	0	0	760	6,721
3.3	Total agreed costs (US \$)	51,811	0	0	6,610	58,421
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)					0.03
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)					0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)					0.27

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together

with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit will submit annual progress reports of status of implementation of the HPMP to the Lead IA.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to an independent local company or to independent international/regional/local consultant(s) by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;

- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XVI

AGREEMENT BETWEEN THE GOVERNMENT OF BOSNIA AND HERZEGOVINA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Bosnia and Herzegovina (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 3.06 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3 and 4.3.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly; and

- (d) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	3.2
HCFC-141b	C	I	1.5
Sub-total			4.7
HCFC-141b contained in imported pre-blended polyols	C	I	3.47
Total			8.17

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	4.70	4.70	4.23	4.23	4.23	4.23	4.23	3.06	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	4.70	4.70	4.23	4.23	4.23	4.23	4.23	3.06	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	631,282	0	143,310	0	117,692	0	31,000	0	30,000	953,284
2.2	Support costs for Lead IA (US \$)	47,346	0	10,748	0	8,827	0	2,325	0	2,250	71,496
3.1	Total agreed funding (US \$)	631,282	0	143,310	0	117,692	0	31,000	0	30,000	953,284
3.2	Total support costs (US \$)	47,346	0	10,748	0	8,827	0	2,325	0	2,250	71,496
3.3	Total agreed costs (US \$)	678,628	0	154,058	0	126,519	0	33,325	0	32,250	1,024,780
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										1.61
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)										0.00
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)										1.59
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										1.50
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)										0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										0
4.3.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)										3.47
4.3.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)										0
4.3.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)										0

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and

- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The implementation and monitoring of this HPMP will be co-ordinated by the National Ozone Unit in cooperation with respective governmental bodies and also national experts recruited for particular tasks which would arise in the course of the project implementation. An independent chartered national auditing organization will be recruited to verify consumption.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$307 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XVII

AGREEMENT BETWEEN THE GOVERNMENT OF BRUNEI DARUSSALAM AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Brunei Darussalam (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 3.96 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A ("Monitoring Institutions and Roles") will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	6.1

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	6.10	6.10	5.49	5.49	5.49	5.49	5.49	3.96	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	6.10	6.10	5.49	5.49	5.49	5.49	5.49	3.96	n/a
2.1	Lead IA - UNEP agreed funding (US \$)	123,000	0	0	27,500	0	7,000	0	0	25,500	183,000
2.2	Support costs for Lead IA - UNEP (US \$)	15,990	0	0	3,575	0	910	0	0	3,315	23,790
2.3	Cooperating IA - UNDP agreed funding (US \$)	52,800	0	0	39,600	0	33,000	0	0	6,600	132,000
2.4	Support costs for Cooperating IA - UNDP (US \$)	4,752	0	0	3,564	0	2,970	0	0	594	11,880
3.1	Total agreed funding (US \$)	175,800	0	0	67,100	0	40,000	0	0	32,100	315,000
3.2	Total support cost (US \$)	20,742	0	0	7,139	0	3,880	0	0	3,909	35,670
3.3	Total agreed costs (US \$)	196,542	0	0	74,239	0	43,880	0	0	36,009	350,670
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)										2.14
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										3.96

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Annual consumption of HCFCs and other ODS will be monitored through the Department of Environment, Parks and Recreation (DOEPR) with collaboration from the Royal Customs and Excise Department. DOEPR is a licensing authority to issue Application Permit, while the Royal Customs and Excise Department will control and monitor the import of ODSs at the point of entry.

2. The National Ozone Unit (NOU) will liaise with importers and retailers of ODS to obtain HCFC consumption data and cross-check with data from the Royal Customs and Excise Department. NOU will undertake regular inspection to monitor the implementation of labelling requirement for HCFC container including regular review on list of HCFC customers to enforce the control on sale of HCFCs. In addition to enforcement, NOU will also undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the refrigeration and air-conditioning (RAC) sector. NOU will monitor the implementation of capacity building activities with relevant agencies e.g. RAC technician training (training centers) and enforcement officers training (Royal Customs and Excise Department and DOEPR).

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XVIII

AGREEMENT BETWEEN THE GOVERNMENT OF DJIBOUTI AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Djibouti (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0.46 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.7

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	0.70	0.70	0.63	0.63	0.63	0.63	0.63	0.46	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	0.70	0.70	0.63	0.63	0.63	0.63	0.63	0.46	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	81,000	0	0	0	18,500	0	44,000	0	21,000	164,500
2.2	Support costs for Lead IA (US \$)	10,530	0	0	0	2,405	0	5,720	0	2,730	21,385
3.1	Total agreed funding (US \$)	81,000	0	0	0	18,500	0	44,000	0	21,000	164,500
3.2	Total support costs (US \$)	10,530	0	0	0	2,405	0	5,720	0	2,730	21,385
3.3	Total agreed costs (US \$)	91,530	0	0	0	20,905	0	49,720	0	23,730	185,885
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)										0.24
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										0
4.1.3	Remaining eligible consumption for HCFC-22										0.46

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the

related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU) will submit annual progress reports of status of implementation of the HPMP to the Lead IA.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to an independent local company or to independent local consultants by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee.;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XIX

AGREEMENT BETWEEN THE GOVERNMENT OF MOZAMBIQUE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Mozambique (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 4.23 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time, in the event that the baseline consumption for compliance is amended based on revised Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	6.5

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	6.50	6.50	5.85	5.85	5.85	5.85	5.85	4.23	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	6.50	6.50	5.85	5.85	5.85	5.85	5.85	4.23	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	40,000	0	35,000	0	30,000	0	30,000	0	30,000	165,000
2.2	Support costs for Lead IA (US \$)	5,200	0	4,550	0	3,900	0	3,900	0	3,900	21,450
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	75,000	0	0	0	75,000	0	0	0	0	150,000
2.4	Support costs for Cooperating IA (US \$)	6,750	0	0	0	6,750	0	0	0	0	13,500
3.1	Total agreed funding (US \$)	115,000	0	35,000	0	105,000	0	30,000	0	30,000	315,000
3.2	Total support costs (US \$)	11,950	0	4,550	0	10,650	0	3,900	0	3,900	34,950
3.3	Total agreed costs (US \$)	126,950	0	39,550	0	115,650	0	33,900	0	33,900	349,950
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										2.27
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										4.23

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to

each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the National Ozone Unit (NOU) which is included within this HPMP.

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the HPMP. The Lead IA, along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports and advising the appropriate national agencies through the NOU.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (l) Providing assistance with policy, management and technical support when required.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XX

AGREEMENT BETWEEN THE GOVERNMENT OF NEPAL AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Nepal (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 0.72 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A ("Monitoring Institutions and Roles") will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.27

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	1.10	1.10	0.99	0.99	0.99	0.99	0.99	0.72	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	1.10	1.10	0.99	0.99	0.99	0.99	0.99	0.72	n/a	
2.1	Lead IA (UNEP) agreed funding (US\$)	63,000	0	0	50,400	0	0	0	0	12,600	126,000	
2.2	Support costs for Lead IA (US\$)	8,190	0	0	6,552	0	0	0	0	1638	16,380	
2.3	Cooperating IA (UNDP) agreed funding (US\$)	42,000	0	0	33,600	0	0	0	0	8,400	84,000	
2.4	Support costs for cooperating IA (US\$)	3,780	0	0	3,024	0	0	0	0	756	7,560	
3.1	Total agreed funding (US\$)	105,000	0	0	84,000	0	0	0	0	21,000	210,000	
3.2	Total support costs (US\$)	11,970	0	0	9576	0	0	0	0	2394	23,940	
3.3	Total agreed costs (US\$)	116,970	0	0	93,576	0	0	0	0	23,394	233,940	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)											0.64
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (ODP tonnes)											-
4.1.3	Remaining eligible consumption of HCFC-22 (ODP tonnes)											0.63

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the last meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted

Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The NOU will submit annual progress reports of status of implementation of the HPMP to the Lead IA.
2. Monitoring of development of HPMP and verification of the achievement of the performance targets, specified in the Plan, will be assigned to independent local company or to independent local consultants by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (l) Providing assistance with policy, management and technical support when required.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXI

AGREEMENT BETWEEN THE GOVERNMENT OF NICARAGUA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Nicaragua (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 4.42 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	6.1
HCFC-141b	C	I	0.6
HCFC-123(*)	C	I	0.0
HCFC-124(**)	C	I	0.0
Sub-total(***)	C	I	6.8
HCFC-141b in imported polyols			0.31
Total			7.11

(*) 2009-2010 average consumption of 0.01 ODP tonnes

(**) 2009-2010 average consumption of 0.03 ODP tonnes

(***) The difference of 0.1 ODP tonnes is due to rounding to one decimal digit the baseline used to establish the starting point.

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013-2014	2015	2016-2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	6.80	6.12	6.12	6.12	6.12	4.42	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	6.80	6.12	6.12	6.12	6.12	4.42	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	38,000	0	30,000	0	30,000	0	10,000	108,000
2.2	Support costs for Lead IA (US \$)	4,940	0	3,900	0	3,900	0	1,300	14,040
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	96,500	0	50,000	0	50,000	0	25,500	222,000
2.4	Support costs for Cooperating IA (US \$)	8,685	0	4,500	0	4,500	0	2,295	19,980
3.1	Total agreed funding (US \$)	134,500	0	80,000	0	80,000	0	35,500	330,000
3.2	Total support costs (US \$)	13,625	0	8,400	0	8,400	0	3,595	34,020
3.3	Total agreed costs (US \$)	148,125	0	88,400	0	88,400	0	39,095	364,020
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								1.78
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								4.32
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								0.60
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0
4.3.1	Total phase-out of HCFC-123 agreed to be achieved under this agreement (ODP tonnes)								0
4.3.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)								0
4.3.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)								0.01
4.4.1	Total phase-out of HCFC-124 agreed to be achieved under this agreement (ODP tonnes)								0
4.4.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)								0
4.4.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0.03
4.5.1	Total phase-out of HCFC-141b in imported pre-blended polyols agreed to be achieved under this agreement (ODP tonnes)								0.31
4.5.2	Phase-out of polyols to be achieved in previously approved projects (ODP tonnes)								0
4.5.3	Remaining eligible consumption for polyols (ODP tonnes)								0

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the last meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU) of Nicaragua, which is within the Ministry of Environment, will coordinate the implementation of the project and will be responsible for the national coordination of the whole HPMP program with the assistance of the implementing agencies. The NOU will be responsible for the monitoring of the phase-out implementation plan, making the follow-up of the promulgation, and the enforcement of the policies and legislation. The NOU will support the Lead IA and the Cooperating IA in the preparation of the annual implementation plans and progress reports for the Executive Committee.

2. The implementation of the phase-out plan will need to be aligned and closely coordinated with the different general instructions, regulatory and fiscal actions, capacity creation and awareness that the government of Nicaragua executes, to ensure the consistency of the Governmental priorities. The phase-out plan will be managed by a team dedicated to this job that consists of a coordinator that will be designated by the NOU and have the support of the representatives and experts of the implementation agencies and the necessary support infrastructure. In addition, the local distribution of service equipment that will be purchased through the Cooperating IA's acquisition procedure will also be implemented by the coordinator.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;

- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXII

AGREEMENT BETWEEN THE GOVERNMENT OF THE NIGER AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of the Niger (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 10.40 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	16.0

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	26.20	26.20	23.58	23.58	23.58	23.58	23.58	17.03	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	16.0	16.0	14.40	14.40	14.40	14.40	14.40	10.40	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	175,000	0	0	0	90,000	0	0	0	20,000	285,000
2.2	Support costs for Lead IA (US \$)	13,125	0	0	0	6,750	0	0	0	1,500	21,375
2.3	Cooperating IA (UNEP) agreed funding (US \$)	100,000	0	0	0	125,000	0	0	0	50,000	275,000
2.4	Support costs for Cooperating IA (US \$)	13,000	0	0	0	16,250	0	0	0	6,500	35,750
3.1	Total agreed funding (US \$)	275,000	0	0	0	215,000	0	0	0	70,000	560,000
3.2	Total support costs (US \$)	26,125	0	0	0	23,000	0	0	0	8,000	57,125
3.3	Total agreed costs (US \$)	301,125	0	0	0	238,000	0	0	0	78,000	617,125
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)										5.60
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										n/a
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										10.40

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the

related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU) will be responsible for the monitoring and overall co-ordination of national activities during the implementation of the HPMP.
2. An independent consultant will be employed by the Lead IA for verification if required for the evaluation of the achievement. Annual report will be prepared by the NOU under the assistance of the Lead IA and the Cooperating IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (l) Providing assistance with policy, management and technical support when required.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXIII

AGREEMENT BETWEEN THE GOVERNMENT OF ALGERIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Algeria (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 24.16 ODP tonnes by 1 January 2017 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time, in the event that the baseline consumption for compliance is amended based on revised Article 7 data.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in rows 4.1.3, 4.2.3 and 4.3.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
 - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted and received approval from the Executive Committee for an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly; and
- (d) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)*
HCFC-22	C	I	24.5
HCFC-141b	C	I	5.7
Sub-total			30.2
HCFC-141b in imported polyols			5.36
Total			35.56

(*) To be revised based on decision of the Meeting of the Parties on change of the baseline

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2012	2013	2014	2015	2016	2017	Total
1.1	Montreal Protocol reduction schedule of Annex C Group I substances (ODP tonnes)	N/A	N/A	30.20	30.20	27.18	27.18	27.18	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	N/A	N/A	30.20	30.20	27.18	27.18	24.16	N/A
2.1	Lead IA (UNIDO) agreed funding (US \$)	215,380	1,593,860	0	144,000	0	0	40,091	1,993,331
2.2	Support costs for Lead IA (US \$)	19,384	119,540	0	10,800	0	0	3,007	152,731
3.1	Total agreed funding (US \$)	215,380	1,593,860	0	144,000	0	0	40,091	1,993,331
3.2	Total support costs (US \$)	19,384	119,540	0	10,800	0	0	3,007	152,731
3.3	Total agreed costs (US \$)	234,764*	1,713,400	0	154,800	0	0	43,098	2,146,062
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								10.51
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								13.99
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								1.57
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								2.40
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								1.73
4.3.1	Total phase-out of HCFC-141b in imported pre-blended polyols agreed to be achieved under this agreement (ODP tonnes)								0.00
4.3.2	Phase-out of HCFC-141b in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)								0.00
4.3.3	Remaining eligible consumption for HCFC-141b in imported pre-blended polyols (ODP tonnes)								5.36

(*) Approved at the 62nd meeting for the conversion of Cristor and herewith subsumed into this Agreement.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the

implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU) will appoint a national institution to monitor all activities of the HPMP. This institute will submit annual progress reports of status of implementation of the HPMP through the NOU to the Lead IA.
2. Verification of the achievement of the performance targets, specified in the Plan, will be undertaken, upon specific request of the Executive Committee, by an independent local company or independent local consultants contracted by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
- (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee.
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

3. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$275 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXIV

AGREEMENT BETWEEN THE GOVERNMENT OF ARGENTINA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Argentina (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 330.58 ODP tonnes by 1 January 2017 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
 - (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final

tranche, until completion of all activities foreseen; and

- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly; and
- (d) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and the World Bank together with the Government of Italy have agreed to be the cooperating implementing agencies (the “Cooperating IAs”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IAs to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IAs will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IAs have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 2.2, 2.4 and 2.6 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, and the Lead IA and the Cooperating IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IAs with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining

activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	266.20
HCFC-123	C	I	1.57
HCFC-124	C	I	0.83
HCFC-141b	C	I	94.57
HCFC-142b	C	I	14.34
Total			377.51

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011	2012	2013	2014	2015	2016	2017	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	400.70	400.70	360.63	360.63	360.63	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	400.70	400.70	360.63	360.63	330.58	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	8,435,542	0	685,388	0	314,612	0	0	125,000	9,560,542
2.2	Support costs for Lead IA (US \$)	632,666	0	51,404	0	23,596	0	0	9,375	717,041
2.3	Cooperating IA (World Bank) agreed funding (US \$)	0	0	914,612	0	0	0	0	0	914,612
2.4	Support costs for Cooperating IA: World Bank (US \$)	0	0	68,596	0	0	0	0	0	68,596
2.5	Cooperating IA (Italy) agreed funding (US \$)	300,000	0	0	0	0	0	0	0	300,000
2.6	Support costs for Cooperating IA: Italy (US \$)	39,000	0	0	0	0	0	0	0	39,000
3.1	Total agreed funding (US \$)	8,735,542	0	1,600,000	0	314,612	0	0	125,000	10,775,154
3.2	Total support costs (US \$)	671,666	0	120,000	0	23,596	0	0	9,375	824,637
3.3	Total agreed costs (US \$)	9,407,208*	0	1,720,000	0	338,208	0	0	134,375	11,599,791
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									6.11
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)									53.46*
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									206.63
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)									23.96
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)									0
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)									70.61
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)									0
4.3.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)									0
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)									14.34
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)									0
4.4.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)									0
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)									1.57
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)									0
4.5.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)									0
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)									0.83

(* Approved at the 61st Executive Committee Meeting

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and

- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (OPROZ) will organize regular coordination meetings with industry stakeholders, HCFC and HFC importers, Government stakeholders (Ministries of Industry, Foreign Affairs), various industry associations, and all sectors involved, in order to enact the necessary agreements and measures to carry out the investment and non-investment activities on time and in a coordinated manner.
2. The HCFC production sector phase-out strategy will be elaborated at a later stage, when the Executive Committee approves the relevant guidelines. Until that time the production will be yearly monitored and verified by site visits to be undertaken by independent international experts.
3. Each IA will be responsible for its sphere activities and sub-projects.
4. The Lead IA will be responsible for the overall management, monitoring of progress, performance verification and reporting to the Fund Secretariat and the Executive Committee.
5. The sub-project of HPMP Stage I will be implemented by the Lead IA and the Cooperating IA (World Bank). The IAs will implement their sub-projects according to the respective rules and procedures of their organizations.
6. The Cooperating IA (World Bank) will report to the Lead IA on the progress of the Mabe project, which will be incorporated into the Lead IA's periodical progress reports. It will also coordinate its activities through the Secretariat of Industry and its financial intermediary. The Lead IA will work in close cooperation with OPROZ and with the beneficiaries. The work will be carried out under the supervision and guidance of the Project Manager of the Lead IA. Necessary local coordination and control will be done by OPROZ.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about

activities undertaken by the Cooperating IAs;

- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IAs, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IAs, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IAs will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IAs, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$258 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXV

AGREEMENT BETWEEN THE GOVERNMENT OF COTE D'IVOIRE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Cote d'Ivoire (the "Country") and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A ("The Substances") to a sustained level of 41.47 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A ("The Targets, and Funding") in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A ("Format of Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
 - (d) That the Country has submitted an annual implementation plan in the form of

Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and

- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	63.8

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	63.80	63.80	57.42	57.42	57.42	57.42	57.42	41.47	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	63.80	63.80	57.42	57.42	57.42	57.42	57.42	41.47	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	250,000	0	190,000	0	150,000	0	130,000	0	185,740	905,740
2.2	Support costs for Lead IA (US \$)	30,260	0	22,998	0	18,156	0	15,735	0	22,482	109,631
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	460,000	0	0	0	460,000	0	0	0	0	920,000
2.4	Support costs for Cooperating IA (US \$)	34,500	0	0	0	34,500	0	0	0	0	69,000
3.1	Total agreed funding (US \$)	710,000	0	190,000	0	610,000	0	130,000	0	185,740	1,825,740
3.2	Total support costs (US \$)	64,760	0	22,998	0	52,656	0	15,735	0	22,482	178,631
3.3	Total agreed costs (US \$)	774,760	0	212,998	0	662,656	0	145,735	0	208,222	2,004,371
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)										22.33
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										0
4.1.3	Remaining eligible consumption for HCFCs										41.47

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the National Ozone Unit, which is included within this HPMP.
2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the HPMP. The Lead IA along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports and advise the appropriate national agencies through the National Ozone Office.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and

- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$163 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXVI

AGREEMENT BETWEEN THE GOVERNMENT OF GUINEA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Guinea (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 14.69 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
 - (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the

funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and

- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this

Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	22.6

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	22.60	22.60	20.34	20.34	20.34	20.34	20.34	14.69	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	22.60	22.60	20.34	20.34	20.34	20.34	20.34	14.69	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	85,000	0	60,000	0	65,000	0	50,000	0	67,000	327,000
2.2	Support costs for Lead IA (US \$)	11,050	0	7,800	0	8,450	0	6,500	0	8,710	42,510
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	160,000	0	0	0	160,000	0	0	0	0	320,000
2.4	Support costs for Cooperating IA (US \$)	12,000	0	0	0	12,000	0	0	0	0	24,000
3.1	Total agreed funding (US \$)	245,000	0	60,000	0	225,000	0	50,000	0	67,000	647,000
3.2	Total support costs (US \$)	23,050	0	7,800	0	20,450	0	6,500	0	8,710	66,510
3.3	Total agreed costs (US \$)	268,050	0	67,800	0	245,450	0	56,500	0	75,710	713,510
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)										7.91
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)										0
4.1.3	Remaining eligible consumption for HCFC-22										14.69

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to

each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the National Ozone Unit, which is included within this HPMP.
2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the HPMP. The Lead IA, along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports and advise the appropriate national agencies through the National Ozone Office.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (l) Providing assistance with policy, management and technical support when required.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$163 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXVII

AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of India (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 1,447.38 ODP tonnes by 1 January 2015 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, 4.5.3 and 4.6.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
 - (d) That the Country has submitted an annual implementation plan in the form of

Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and

- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (d) Any enterprise to be converted to non-HCFC technology included in the approved HPMP and that would be found to be ineligible under the guidelines of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date),

will not receive assistance. This information would be reported to the Executive Committee as part of the Annual Implementation Plan;

- (e) The Country commits to examining the possibility of using pre-blended hydrocarbon systems instead of blending them in-house, for those foam enterprises covered under the umbrella project, should this be technically viable, economically feasible and acceptable to the enterprises;
- (f) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP and Government of Germany have agreed to be the cooperating implementing agencies (the “Cooperating IAs”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IAs to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IAs will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IAs have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular coordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 2.2, 2.4 and 2.6 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IAs with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-123	C	I	3.5
HCFC-124	C	I	13.5
HCFC-141b	C	I	865.5
HCFC-142b	C	I	123.7
HCFC-22	C	I	602.0
Sub-total			1,608.2
HCFC-141b pre-blended in imported polyols			83.05
Total			1,691.25

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	N/A	1,608.20	1,608.20	1,447.38	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	N/A	1,608.20	1,608.20	1,447.38	N/A
2.1	Lead IA (UNDP) agreed funding (US\$)	10,000,000	7,000,000	0	1,438,490	18,438,490
2.2	Support costs for Lead IA (US\$)	750,000	525,000	0	107,887	1,382,887
2.3	Cooperating IA (UNEP) agreed funding (US\$)	430,800	344,640	0	86,160	861,600
2.4	Support costs for (UNEP)	52,388	41,910	0	10,478	104,776
2.5	Cooperating IA (Germany) agreed funding US\$	925,452	869,508	0	199,440	1,994,400
2.6	Support costs for (Germany) (US\$)	106,440	100,006	0	22,938	229,384
3.1	Total agreed funding (US\$)	11,356,252	8,214,148	0	1,724,090	21,294,490
3.2	Total support cost (US\$)	908,828	666,916	0	141,303	1,717,047
3.3	Total agreed costs (US\$)	12,265,080	8,881,064	0	1,865,393	23,011,537
4.1.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)					0
4.1.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)					0
4.1.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)					3.50

Row	Particulars	2012	2013	2014	2015	Total
4.2.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)					0
4.2.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)					0
4.2.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)					13.50
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)					310.53
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)					0
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)					554.97
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)					0
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)					0
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)					123.70
4.5.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)					31.24
4.5.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)					0
4.5.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)					570.76
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)					0
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)					0
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols					83.05

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the second meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring process will be managed by Ozone Cell, Ministry of Environment and Forests, with the assistance of the Lead IA.
2. The consumption will be monitored and determined based on official import and export data for the Substances recorded by relevant government departments.
3. The Ozone Cell, Ministry of Environment and Forests, shall compile and report the following data and information on an annual basis on or before the relevant due dates:
 - (a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and
 - (b) Annual reports on progress of implementation of HPMP Stage-I to be submitted to the Executive Committee of the Multilateral Fund.
4. The consumption will be monitored annually throughout the implementation of HPMP Stage-I and accordingly reflected in the progress report on the implementation of the HPMP Stage-I
5. The Ozone Cell, Ministry of Environment and Forests shall endorse the final report and the Lead IA shall submit the same to the relevant meeting of the Executive Committee along with the annual implementation plan and reports.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;

- (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IAs;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IAs, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IAs, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support, when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IAs will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:
- (a) Providing assistance for policy development when required;
 - (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IAs, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and

- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$136.45 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXVIII

AGREEMENT BETWEEN THE GOVERNMENT OF KENYA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Kenya (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 41.20 ODP tonnes by 1 January 2017 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
 - (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the

funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and

- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this

Agreement. The Government of France has agreed to be the lead implementing agency (the “Lead IA”) in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	52.2

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	52.20	52.20	46.98	46.98	46.98	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	52.20	52.20	46.98	46.98	41.20	n/a
2.1	Lead IA (Government of France) agreed funding (US \$)	257,500	0	200,000	176,250	176,250	90,000	900,000
2.2	Support costs for Lead IA (US \$)	31,186	0	24,222	21,346	21,346	10,900	109,000
3.1	Total agreed funding (US \$)	257,500	0	200,000	176,250	176,250	90,000	900,000
3.2	Total support costs (US \$)	31,186	0	24,222	21,346	21,346	10,900	109,000
3.3	Total agreed costs (US \$)	288,686	0	224,222	197,596	197,596	100,900	1,009,000
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							11.00
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)							0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							41.20

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Monitoring of the HPMP activities will be done through the existing Project Monitoring Office that was set up under the TPMP project. Additional experts will be hired on a regular basis to assist with more specific and technical requirements of the project. The Project Monitoring Unit will work together with the National Ozone Unit to draft the necessary progress reports and meet all reporting requirements of the project.
2. Furthermore, the role of the Natural Environment Management Authority, which is the ODS licensing authority in Kenya will also be readdressed to ensure that this very important aspect of the HPMP, enforcement of ODS regulations, is done effectively.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual

implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee.

- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$164 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXIX

AGREEMENT BETWEEN THE GOVERNMENT OF KUWAIT AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Kuwait (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 254.51 ODP tonnes by 1 January 2018 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, and 4.5.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;

- (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly;

- (d) Any enterprise to be converted to non-HCFC technology included in the approved HPMP and that would be found to be ineligible under the guidelines of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), will not receive assistance. This information would be reported to the Executive Committee as part of the Annual Implementation Plan; and
- (e) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNIDO has agreed to be the cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee, the Lead IA and the Cooperating IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	260.5
HCFC-123	C	I	0.3
HCFC-141b	C	I	75.2
HCFC-142b	C	I	82.7
Sub-total			418.6
HCFC-141b in imported pre-blended polyols	C	I	10.64
Total			429.24

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2012	2013	2014	2015	2016	2017	2018	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	418.60	418.60	376.74	376.74	376.74	376.74	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	415.60	336.81	338.98	297.87	296.17	254.51	n/a	
2.1	Lead IA (UNEP) agreed funding (US \$)	277,000	0	337,000	0	332,000	0	97,000	1,043,000	
2.2	Support costs for Lead IA (US \$)	33,126	0	40,301	0	39,703	0	11,600	124,730	
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	3,537,450	0	3,349,382	0	1,054,845	0	920,000	8,861,677	
2.4	Support costs for Cooperating IA (US \$)	265,309	0	251,204	0	79,113	0	69,000	664,626	
3.1	Total agreed funding (US \$)	3,814,450	0	3,686,382	0	1,386,845	0	1,017,000	9,904,677	
3.2	Total support costs (US \$)	298,435	0	291,505	0	118,816	0	80,600	789,356	
3.3	Total agreed costs (US \$)	4,112,885	0	3,977,887	0	1,505,661	0	1,097,600	10,694,033	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									81.25
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)									0.00
4.1.3	Remaining eligible consumption for HCFC-22(ODP tonnes)									179.25
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)									0.00
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)									0.00
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)									0.30
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)									75.20
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)									0.00
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)									0.00
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)									82.70
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)									0.00
4.4.3	Remaining eligible consumption for HCFC142b (ODP tonnes)									0.00
4.5.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)									0.00
4.5.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)									0.00
4.5.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)									10.64

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the first meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;
- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Environment Public Authority (EPA) established a National Ozone Committee (NOC) for the implementation of the TPMP. The NOC will continue to oversee all activities under the Montreal Protocol including the HPMP. The National Ozone Unit (NOU) in consultation with the (NOC) and management of the EPA will formulate a Project Implementation Team.
2. The Project Implementation Team will be responsible for:
 - (a) Managing and co-ordinating implementation, of all Montreal Protocol projects, with the various Governmental ministries, authorities and relevant private sectors;
 - (b) Proposing, contracting (in consultation with the NOU, Lead IA and Cooperating IA) and managing teams of national experts that can undertake the responsibility of implementing all Montreal Protocol projects in different sectors;
 - (c) Developing and implementing training, awareness and capacity-building activities for key government departments, legislators, decision-makers and other institutional stakeholders, to ensure a high-level commitment to the Plan's objectives and obligations;
 - (d) Raising awareness in all sectors among consumers and the public, through workshops, media publicity and other information dissemination measures;
 - (e) Preparing annual implementation plans including determining the sequence of enterprise participation in planned sub-projects;
 - (f) Reporting to the NOC on implementation progress of the Plan for the annual performance-based; and
 - (g) Establishing and operating a decentralized mechanism for monitoring and evaluation of projects' outputs, in association with provincial regulatory environmental bodies to ensure sustainability.

Monitoring and Validation

3. The NOU in close cooperation with relevant authorities will monitor the consumption data of all HCFCs. The Lead IA and Cooperating IA will work together in the future on consumption data reconciliation. The Project Implementation Team will provide detailed information to the NOU and to both agencies about the progress of each component and their deliverables, who in turn will work together to monitor the implementation and validate the outcomes of the project, this will be done through:
 - (a) Reviewing and approving the detailed implementation plan for each activity as developed by the project implementation team;
 - (b) Receiving and verifying periodic reports, from the Project Implementation Team, about the progress of each activity;
 - (c) Ensuring that each tranche objectives are met as planned and reviewing the end of tranche report;
 - (d) Providing technical advice to the Project Implementation Team in problems/obstacles faced during implementation;
 - (e) Facilitating the communication of the Project Implementation Team with local

decision-makers as needed;

- (f) Reviewing implementation status in accordance with the Country's contracts with both implementing agencies;
- (g) Ensuring the timely implementation of the HPMP components by validating:
 - (i) The successful completion of the extruded polystyrene foam (XPS) conversion project to non-HCFC technology by the end of stage I and that the Country issued a ban of HCFC-142b import;
 - (ii) The successful completion of the polyurethane foam conversion project to non-HCFC technology as per stage I of the HPMP;
 - (iii) That all enterprises working with spray foam converted to suitable alternatives;
 - (iv) That refrigerant identifiers are purchased, distributed and in operation by customs and relevant authorities;
 - (v) That specialized training is provided for the personnel of different authorities regarding regulation enforcement and combating illegal trade;
 - (vi) That national standards and codes included in the HPMP are developed and enacted;
 - (vii) That the national code of good practice and a certification scheme for refrigeration technicians are developed, introduced and enacted;
 - (viii) That pilot training on the certification scheme is carried out;
 - (ix) That guidelines for local reclamation centres are being developed; and
 - (x) That two national reclamation centres are established and in operation.

4. Cost information will also be compiled, such as: the cost of recovery at every service workshop with an indication as to who is covering the cost; the cost of reclamation at every reclaim centre with an indication as to who is covering cost; the price of reclaimed CFC refrigerants; and, other financial information relevant to monitoring the efficacy of the system.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

- 1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;

- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
- (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (g) Carrying out required supervision missions;
- (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
- (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
- (l) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan, including at least the following:

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$111 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XXX

AGREEMENT BETWEEN THE GOVERNMENT OF SUDAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Government of Sudan (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 36.89 ODP tonnes by 1 January 2017 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the HCFC phase-out sector plans submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which no obligation for reporting of country programme data exists at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - (b) That the meeting of these Targets has been independently verified, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
 - (d) That the Country has submitted an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the

funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and

- (e) That, for all submissions from the 68th meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the Country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this Agreement.

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report;
- (c) Should the Country decide during implementation of the agreement to introduce an alternative technology other than that proposed in the approved HPMP, this would require approval by the Executive Committee as part of an Annual Implementation Plan or the revision of the approved plan. Any submission of such a request for change in technology would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable. The Country agrees that potential savings in incremental costs related to the change of technology would decrease the overall funding level under this Agreement accordingly; and
- (d) Any remaining funds will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each ODP kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5 above.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

14. The completion of stage I of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

15. All of the conditions set out in this Agreement are undertaken solely within the context of the Montreal Protocol and as specified in this Agreement. All terms used in this Agreement have the meaning ascribed to them in the Montreal Protocol unless otherwise defined herein.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	11.6
HCFC-141b	C	I	39.0
Total			50.6

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2010	2011	2012	2013	2014	2015	2016	2017	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	52.70	52.70	47.43	47.43	47.43	n/a
1.2	Maximum allowable total consumption of Annex C Group I substances (ODP tonnes)	n/a	n/a	n/a	52.70	52.70	47.43	42.13	36.89	n/a
2.1	Lead IA UNIDO agreed funding (US \$)	1,056,341	0	250,000	0	110,000	0	0	40,000	1,456,341
2.2	Support costs for Lead IA (US \$)	79,226	0	18,750	0	8,250	0	0	3,000	109,226
3.1	Total agreed funding (US \$)	1,056,341	0	250,000	0	110,000	0	0	40,000	1,456,341
3.2	Total support cost	79,226	0	18,750	0	8,250	0	0	3,000	109,226
3.3	Total agreed costs (US \$)	1,135,567*	0	268,750	0	118,250	0	0	43,000	1,565,567
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)									4.28
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)									0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									7.32
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)									0
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)									11.87*
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)									27.13

(* Approved at the 62nd meeting for four enterprises manufacturing insulation foam and herewith subsumed into this Agreement.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the last meeting of the year specified in Appendix 2-A.

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted

Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU) will appoint a national institution to monitor all activities of the HPMP. This institute will submit annual progress reports of status of implementation of the HPMP through the NOU to the Lead IA.
2. Project Management Unit (National Project Officer) will coordinate daily work of the project implementation and also assist the enterprises as well as Government and non-government institutions and organizations to streamline their activities for smooth implementation of the project and help the Government with monitoring the progress of implementation, and reporting to the Executive Committee.
3. Verification of the achievement of the performance targets, specified in the Plan, will be undertaken, upon specific request of the Executive Committee, by an independent local company or independent local consultants contracted by the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of each implementing or bilateral agency involved;
 - (j) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (k) Providing assistance with policy, management and technical support when required.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$200 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.
